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Title 7—AGRICULTURE

Chapter IV—Federal Crop Insurance Corporation, Department of Agriculture

[Amdt. 16]

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1958 and Succeeding Crop Years

MISCELLANEOUS AMENDMENTS

The above-identified regulations, pertaining to barley, cotton, orange, and wheat crop insurance are amended as follows:

1. Subparagraph (1) of that portion of paragraph (a) of § 401.3 which precedes the table contained therein is amended effective beginning with the 1960 crop year to read as follows: "(1) beginning with the 1960 crop year in counties in the States of Idaho, Oregon, and Washington in which barley is an insurable crop with an October 31 closing date, an application for insurance on barley may be filed until the March 31 following the closing date provided that in such cases winter barley will not be insured for the first barley crop year of the contract,".

2. The portion of the table following paragraph (a) of § 401.3 pertaining to the closing dates for accepting applications for barley crop insurance is amended effective beginning with the 1960 crop year to read as follows:

California	Aug. 31
Idaho:	
Idaho County and all Idaho counties lying north thereof	Oct. 31
All other Idaho counties	Mar. 31
Maryland and Pennsylvania	Sept. 15
Oregon and Washington	Oct. 31
All other States	Mar. 31

3. Section 3 of the barley endorsement shown in § 401.17 of this chapter, is amended effective beginning with the 1960 crop year by changing the proviso contained therein to read as follows:

Provided, however, That in lieu of the foregoing provisions of this paragraph, and notwithstanding any other provisions of the contract, beginning with the 1960 crop year in Larimer, Morgan, and Weld Counties, Colorado, the coverages per acre for any acreage of spring barley on which no irrigation water is applied (but otherwise qualifying for irrigated coverage under the provisions of section 22(a) of the policy) shall be 25 percent of the third (harvested) stage coverage for the irrigated practice shown on the county actuarial table.

4. In subsection 7(a) of the barley endorsement shown in § 401.17 of this chapter, the table at the end thereof is amended effective beginning with the 1960 crop year to read as follows:

State	Cancellation date	Termination date for indebtedness
California, Maryland, Oregon, Pennsylvania, and Washington	Mar. 15	Mar. 15
Idaho:		
Idaho County and all Idaho counties lying north thereof	do	Do.
All other Idaho counties	Dec. 31	Mar. 31
All other States	do	Do.

5. Subsection (b) of section 8 of the orange endorsement shown in § 401.25 of this chapter is amended effective beginning with 1960 crop year, by changing the period at the end thereof to a semi-colon and by adding the following:

except that beginning with the 1960 crop year, if the 10 percent minimum option provided for in section 12 of this endorsement is elected by the insured, the deduction provided for in (3) above will not be made if the average percent of damage is 10 percent or more.

6. The orange endorsement shown in § 401.25 of this chapter is amended effective beginning with the 1960 crop year, by adding a section 12 to read as follows:

(12) *Ten percent minimum option.* In consideration of the additional premium shown on the county actuarial table, insureds beginning with the 1960 crop year may elect the 10 percent minimum option whereby the deduction provided for in subsection 8(b)(3) of this endorsement will not be made in determining the amount of loss under the contract if the average percent of damage is 10 percent or more. For any crop year such election may be made of rescinded by notifying the county office in writing prior to the date insurance attaches for such crop year.

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FEDERAL REGISTER

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A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

A Cumulative Codification Guide covering the current month appears at the end of each issue beginning with the second issue of the month.

7. The portion of the table following paragraph (a) of § 401.3 pertaining to the closing dates for accepting applications for wheat crop insurance is amended beginning with the 1960 crop year in the following respects. The line reading "All other Idaho counties ---------- Sept. 15" is changed to read "All Idaho counties lying south of Idaho County, except Gooding, Jerome, Minidoka, and Twin Falls Counties ---------- Sept. 15", and immediately following this line, is added a line reading "Gooding, Jerome, Minidoka, and Twin Falls Counties ---------—Mar. 31."

8. In subsection 8(a) of the wheat endorsement shown in § 401.24 of this chapter, the table at the end thereof is amended effective beginning with the 1960 crop year by inserting at the beginning of the table the following cancellation dates and termination dates for indebtedness with respect to Idaho:

State and County	Cancellation date	Termination date for indebtedness
Idaho:		
Gooding, Jerome, Minidoka, and Twin Falls Counties	Dec. 31	Mar. 31
All other Idaho counties	Mar. 15	Mar. 15

9. The portion of the table following paragraph (a) of § 401.3 pertaining to the closing dates for accepting applications for cotton crop insurance is amended effective beginning with the 1960 crop year to read as follows:

Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, except Cameron, Hidalgo, and Willacy Counties	Feb. 28
Cameron, Hidalgo, and Willacy Counties	Jan. 31
All other Texas counties	Mar. 31
All other States	Mar. 31

10. In subsection 9(b) of the cotton endorsement shown in § 401.20 of this chapter, the table at the end thereof is amended effective beginning with the 1960 crop year to read as follows:

Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, except Cameron, Hidalgo, and Willacy Counties	Feb. 28
Cameron, Hidalgo, and Willacy Counties	Jan. 31
All other Texas counties	Mar. 31
All other States	Mar. 31

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

Adopted by the Board of Directors on October 23, 1959.

[SEAL] F. N. McCARTNEY,
Secretary,
Federal Crop Insurance Corporation.

Approved on October 28, 1959.

MARVIN L. McLAIN,
Assistant Secretary.

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[Amdt. 17]

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1958 and Succeeding Crop Years

PEACH ENDORSEMENT

The above-identified regulations are amended for peach crop insurance, effective beginning with the 1960 crop year as follows:

1. Section 9 of the peach endorsement shown in § 401.28 of this chapter is amended, effective beginning with the 1960 crop year, to read as follows:

9. *Claims for loss.* (a) In lieu of subsection 11(a) of the policy, any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, promptly after the amount of loss can be determined, but not later than 30 days after the time of loss.

(b) In lieu of subsection 11(c) of the policy, losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the insured acreage of peaches on the insurance unit by the applicable coverage per acre, (2) multiplying the result thus obtained by the amount that the average percent of damage for all of the peach crop on such unit due to an insured cause of loss is in excess of the percent shown on the county actuarial table for such purpose, and (3) multiplying the remainder by the insured interest.

(c) The average percent of damage to a peach crop on an insurance unit shall be the ratio of the production of peaches lost from an insured cause of loss to the total production of peaces which was or would have been produced if the insured cause of loss had not occurred. In determining the ratio the Corporation (1) shall estimate such total production of peaches which was or would have been produced taking into consideration the past production records on the insurance unit, age, size and condition of trees, and the production on other trees of similar characteristics unaffected by the occurrence of the insured cause of loss either situated on the insurance unit or in the nearby area or both, and (2) shall estimate the production of peaches lost by inspection of representative samples of trees on the insurance unit and of friut after it is set on such trees, or in the absence of any fruit on such trees available for such sampling, the production of peaches lost on the insurance unit by an insured cause shall be determined by the Corporation by estimate on the basis of the best available information. This ratio shall be determined by the Corporation as soon as possible after the amount of damage by an insured cause of loss can be determined.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

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[SEAL] F. N. McCARTNEY,
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MARVIN L. McLAIN,
Assistant Secretary.

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PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1958 and Succeeding Crop Years

MINIMUM PREMIUM

The above-identified regulations are amended effective beginning with the 1960 crop year as follows:

1. Section 5 of the policy shown in § 401.11 is amended to read as follows:

5. *Minimum premium.* If in any year a premium is earned for any crop and the net premium totals less than $10.00, the amount shall be increased to $10.00, except that in any county where it is provided on the county actuarial table that insurance will not be provided on any crop unless the insured has a contract in force providing insurance on all insurable crops shown on the county actuarial table the minimum premium beginning with the 1960 crop year shall be $20.00 for all crops insured under the contract.

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

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[SEAL] F. N. McCARTNEY,
Secretary,
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MARVIN L. McLAIN,
Assistant Secretary.

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[Amdt. 19]

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1958 and Succeeding Crop Years

TOBACCO ENDORSEMENT

The above-identified regulations are amended effective beginning with the 1960 crop year as follows:

1. Section 10 of the tobacco endorsement shown in § 401.23 of this chapter, and the table at the end thereof is amended beginning with the 1960 crop year in the following respects: The date "August 31" appearing in the text and the date "Aug. 31" appearing in the column headed "Discount date" of the table opposite "32", in each case is changed to "July 31".

(Sec. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

Adopted by the Board of Directors on October 23, 1959.

[SEAL] F. N. McCARTNEY,
Secretary,
Federal Crop Insurance Corporation.

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MARVIN L. McLAIN,
Assistant Secretary.

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[Amd. 20]

PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1958 and Succeeding Crop Years

MISCELLANEOUS AMENDMENTS

The above-identified regulations are amended effective beginning with the 1960 crop year as follows:

1. The table following paragraph (a) of § 401.3 is amended by inserting the following statement immediately following the closing date of September 30 for oranges in all counties in California: "Beginning with the 1960 crop year applications for orange insurance submitted during the month of October following such September 30 when accompanied by payment of the premium may be accepted by the Corporation during such month."

2. The orange endorsement shown in § 401.25 of this chapter is amended, effective beginning with the 1960 crop year by adding a section numbered 13 thereto to read as follows:

13. *Acceptance of applications in the month of October.* The provisions of this section 13 shall be a part of the orange endorsement of any contract of insurance for which application is made and is accepted by the Corporation during the month of October. Beginning with the 1960 crop year, applications for orange insurance for the first crop year of such insurance which are submitted to the county office during the month of October of such crop year and which, notwithstanding the premium payable provision of section 4 of this endorsement, are accompanied by payment of the premium for such insurance may be accepted by the Corporation during such month of October: *Provided, however,* That in any case in which an application for orange insurance submitted during the month of October is accepted by the Corporation, insurance shall attach for the first crop year, notwithstanding the provision of section 5 of this endorsement, on the tenth day after the date of premium payment for that crop year (the date of premium payment shall be the date an official receipt is issued by an authorized representative of the Corporation acknowledging that premium payment has been received in the county office).

(Secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516)

Adopted by the Board of Directors on October 23, 1959.

[SEAL] F. N. MCCARTNEY,
Secretary, Federal Crop Insurance Corporation.

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MARVIN L. MCLAIN,
Assitant Secretary.

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PART 401—FEDERAL CROP INSURANCE

Subpart—Regulations for the 1961 and Succeeding Crop Years

By virtue of the authority contained in the Federal Crop Insurance Act, as amended, the "Regulations for the 1958 and Succeeding Crop Years," as amended (22 F.R. 6557, 7210, 8473, 9515, 11024; 23 F.R. 239, 869, 1943, 2373, 2481, 2586, 2635, 2769, 3143, 5114, 5183, 5949, 6854, 6855, 6856, 6857, 7342, 7569, 7570, 9253, 9254, 10358; 24 F.R. 82, 2033, 2034, 3845, 3847, 3848, 5209, 5210, 5211, 5212, 5213, 7894), which shall remain in full force and effect for the 1960 crop year, are hereby amended for the 1961 and succeeding crop years to read as set forth below. The provisions of this subpart shall apply, until amended or superseded, to all continuous barley, dry edible bean, corn, cotton, flax, grain sorghum, oat, orange, peach, rice, rye, soybean, tobacco, and wheat insurance contracts and all continuous combined crop insurance contracts as they relate to the 1961 and succeeding crop years, and to other continuous contracts for which endorsements are added from time to time.

Secs.

AUTHORITY: §§ 401.1 through 401.32 issued under secs. 506, 516, 52 Stat. 73, as amended, 77, as amended; 7 U.S.C. 1506, 1516.

§ 401.1 Availability of Federal crop insurance.

Insurance may be offered under the provisions of this subpart on the crops and in counties, within the limits prescribed by and in accordance with the provisions of the Federal Crop Insurance Act, as amended. The crops and counties shall be designated by the Manager of the Corporation from a list of counties and the crops which may be insured in each county approved by the Board of Directors of the Corporation. Before insurance is offered in any county there shall be published by appendix to this section the name of the county and the crops on which insurance will be offered. In addition to the lists of counties approved by the Board of Directors of the Corporation for combined crop insurance, the Manager of the Corporation may designate counties for combined crop insurance from lists of counties previously approved by the Board of Directors of the Corporation for multiple crop insurance.

§ 401.2 Premium rates, guaranteed production, amounts of insurance, and insurable crops.

(a) The Manager shall establish (1) premium rates, (2) guaranteed production when provided for under applicable endorsements, and (3) amounts of insurance per acre for each crop which is insurable in a county, and for combined crop insurance which shall be shown together with the crops which are insurable in the county, on the county actuarial table on file in the county office. The Manager of the Corporation is authorized in any county to designate on the county actuarial table for that county, any crops on which a guaranteed production will not be provided unless the insured has in force a contract providing guaranteed production on additional insurable crops, which crops shall also be designated on the county actuarial table. Such premium rates, guaranteed production, amounts of insurance, and crops may be changed from year to year.

(b) Notwithstanding any other provisions of this chapter to the contrary, the Manager of the Corporation shall credit 7 consecutive years of insurance without a loss for which an indemnity was paid as of the close of the 1960 crop year, and to grant the 25 percent reduction in premium, so provided in subsection 4(c) of the policy shown in § 401.11 to any insured on his dry edible bean, corn, cotton, or flax crop insurance for the 1961 crop year, provided such insured would have been eligible for the premium reductions set forth in (1) section 3 of the dry edible bean endorsement shown in § 401.18; (2) section 3 of the corn endorsement shown in § 401.19; (3) subsection 3(b) of the cotton endorsement shown in § 401.20; or (4) section 3 of the flax endorsement shown in § 401.21 of the Federal Crop Insurance Regulations for the 1958 and Succeeding Crop Years, had the provisions mentioned therein been included within the Federal Crop Insurance Regulations for the 1961 and Succeeding Crop Years.

§ 401.3 Application for insurance.

(a) Application for insurance on a form prescribed by the Corporation may be made by any person to cover his interest in an insurable crop. The application shall be submitted to the county office on or before the applicable closing date set forth below preceding the first crop year for which insurance is to be in effect, except that (1) in counties in the states of Idaho, Oregon, and Washington in which barley is an insurable crop with an October 31 closing date, an application for insurance on barley may be filed until the March 31 following the closing date provided that in such cases winter barley will not be insured for the first barley crop year of the contract, and (2) in all counties in Montana and in any county in South Dakota with an August 31 closing date, in which wheat is an insurable crop, an application for insurance on wheat may be filed until the March 31 following the closing date provided that in such cases winter wheat will not be insured for the first wheat crop year of the contract: *Provided, how-*

ever, That the closing date for combined crop insurance in any county shall be the earliest closing date for that county shown below for any of the crops for which guaranteed production and premium rates are shown on the actuarial table for that county for combined crop insurance, except that in counties in North Dakota and South Dakota where rye is an insurable crop under combined crop insurance, the closing date for rye shall be disregarded in determining the closing date for combined crop insurance.

(Closing dates)

BARLEY	
California	Aug. 31
Idaho:	
Idaho County and all Idaho counties lying north thereof	Oct. 31
All other Idaho counties	Mar. 31
Maryland and Pennsylvania	Sept. 15
Oregon and Washington	Oct. 31
All other States	Mar. 31
DRY EDIBLE BEANS	
All States	May 15
CORN	
All States	Apr. 30
COTTON	
Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, except Cameron, Hidalgo, and Willacy Counties	Feb. 28
Cameron, Hidalgo, and Willacy Counties	Jan. 31
All other Texas counties	Mar. 31
All other States	Mar. 31
FLAX	
All States	Mar. 31
GRAIN SORGHUM	
All States	Apr. 30
OATS	
All States	Mar. 31
ORANGES	
California	Sept. 30
Applications for orange insurance submitted during the month of October following such September 30 when accompanied by payment of the premium may be accepted by the Corporation during such month.	
PEACHES	
All States	Jan. 15
RICE	
All States	Mar. 31
RYE	
All States	Aug. 31
SOYBEANS	
All States	Apr. 30
TOBACCO	
Type of Tobacco:	
11a, 11b, 12, 21, 22, 23, 31, 32, 35, 36, and 37	Apr. 30
13 and 14	Mar. 31
41, 51, 52, 54, and 55	May 31
WHEAT	
California, Colorado, Kansas, Montana, Nebraska, New Mexico, Oklahoma, Texas, and Wyoming	Aug. 31
Idaho:	
Idaho County and all Idaho counties lying north thereof	Oct. 31
All Idaho counties lying south of Idaho County, except Gooding, Jerome, Minidoka, and Twin Falls Counties	Sept. 15
Gooding, Jerome, Minidoka, and Twin Falls Counties	Mar. 31
WHEAT—continued	
Minnesota and North Dakota	Mar. 31
Oregon and Washington	Oct. 31
South Dakota:	
Bennett, Jones, Lyman, Meade, Mellette, and Tripp Counties	Aug. 31
All other South Dakota counties	Mar. 31
All other States	Sept. 15

(b) In counties where cotton or tobacco are insurable crops application for insurance may be made by any owner-operator or tenant-operator on a form prescribed by the Corporation to cover the interest which a share tenant or sharecropper has in a cotton or tobacco crop in which such farm operator has an interest. The interest covered shall be that interest which the share tenant or sharecropper has at the time of planting and any interest allocated to such person after planting pursuant to an understanding existing at the time of planting. As to such share tenant's or sharecropper's interest, notwithstanding any provision of the contract to the contrary, (1) the applicant shall be considered the insured and the interest insured shall be considered as his interest, (2) premiums and losses shall be computed in the same manner and under the same terms and conditions as if the share tenant or sharecropper had signed (and the Corporation accepted) an individual application for insurance, (3) the applicant shall designate on his acreage report the name of the share tenant or sharecropper and the acreage allocated to him, (4) transfers of interests in insured acreage made before the beginning of harvest and the time of loss will be recognized when indemnities are computed, (5) any indemnity shall be for the benefit of the share tenant or sharecropper (or transferee) allocated the insurance unit on which the loss occurred and payment shall be made by joint check payable to the insured and said share tenant or sharecropper (or transferee), (6) collateral assignments shall not be honored but the insured shall from the proceeds of the joint check be entitled to any amounts owed him for advances to finance the current cotton or tobacco crop on the insurance unit, and (7) the corporation shall not deduct from any indemnity any amount except the current premium on the share tenant's or sharecropper's interest and any amount owed the Corporation by the share tenant or sharecropper (or transferee). For each crop year of the contract the contract shall not cover the interest of any share tenant or sharecropper who is insured with the Corporation under an individual contract. This paragraph shall not apply with respect to combined crop insurance in those counties where the insurable crops shown on the county actuarial table for combined crop insurance include cotton.

(c) The Corporation reserves the right to discontinue the acceptance of applications in any county upon its determination that the insurance risk involved is excessive, and also, for the same reason, to reject any individual application.

(d) A contract may be issued under this subpart without the filing of a new application as a continuation of a continuous contract issued under Federal Crop Insurance Regulations for the 1958 and Succeeding Crop Years, this part, and shall be put into effect in accordance with the provisions governing changes in the contract, of the applicable policies issued under said 1958 regulations.

§ 401.4 Public notice of indemnities paid.

The Corporation shall provide for posting annually in each county at the county courthouse a listing of the indemnities paid in the county.

§ 401.5 Creditors.

An interest in an insured crop existing by virtue of a lien, mortgage, garnishment, levy, execution, bankruptcy, or any involuntary transfer shall not entitle the holder of the interest to any benefit under the contract.

§ 401.6 The contract.

The insurance contract shall become effective upon compliance with the provisions of § 401.3(d) or upon the acceptance by the Corporation of a duly executed application for insurance on a form prescribed by the Corporation. The contract shall cover the crops covered by endorsements to the policy when the policy is issued pursuant to the provisions of § 401.3(d) or the crops upon which insurance is accepted by the Corporation pursuant to a duly filed application. The insurance contract shall consist of that part of the county actuarial table pertaining to such crops, the policy contained in § 401.11, the endorsements included in these regulations for the crops covered by the accepted application or the contract issued pursuant to § 401.3(d), and either the application where a new application is required, or the provisions of the application accepted by the Corporation pursuant to the regulations for the 1958 and succeeding crop years which are not inconsistent with the provisions of these regulations for the 1961 and succeeding crops.

§ 401.11 The policy.

The provisions of the Federal Crop Insurance Policy for the 1961 and succeeding crop years are as follows:

Subject to the terms and conditions set forth herein and in the applicable endorsements, the Federal Crop Insurance Corporation (herein called "Corporation"), does insure the applicant (herein called the "insured"), subject to the acceptance of his application, against unavoidable loss of production of his insured crops due to the causes specified in the applicable endorsement. No term or condition of the contract shall be waived or changed on behalf of the Corporation except in writing by a duly authorized representative of the Corporation.

TERMS AND CONDITIONS

Subject to the provisions in the applicable endorsement:

1. *Insured crops.* The crops insured are the crops (to the extent of interest of the insured therein as hereinafter set out) for which the insured has applied for insurance, for which (a) a guaranteed production when provided for under applicable endorsements, (b) amounts of insurance per acre, and (c) premium rates are shown on the county actuarial table, for which endorsements to this policy are in force, and which are grown

on insured acreage. The insured acreage for a crop for each crop year shall be that acreage in the county planted to the crop on land for which a premium rate is shown on the county actuarial table and in which crop the insured had an interest at the time of planting as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect: *Provided,* That in counties where a premium rate is established by farming practices, the farming practice carried out, as determined by the Corporation on such acreage is one for which a premium rate is established on the county actuarial table. The interest insured shall be the interest of the insured at the time of planting in the insured crop grown on insured acreage as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect; *Provided,* That insurance shall not be considered to have attached to any acreage for which a premium rate is not established on an irrigated basis but which would qualify for insurance on an irrigated basis under section 22(a)(1) hereof, if the insured files an acreage report within the period specified in section 2 and at that time designates thereon such acreage as being not insured: *Provided further,* That insurance shall not attach or be considered to have attached on acreage on which it is determined by the Corporation that the insured crop is (a) destroyed and after such destruction it is practical to replant to the same crop and such acreage is not replanted to the same crop, (b) initially planted too late to expect a normal crop to be produced, (c) volunteer, or (d) of a type or variety not adapted to the area or shown as non-insurable on the county actuarial table. In addition to the rights of the Corporation, under section 6 hereof, the Corporation reserves the right to limit the insured acreage of any crop to the allotment, permitted acreage, or any other acreage limitations established under any act of Congress upon so notifying the insured in writing prior to the planting of such crop. For the purpose of determining the amount of loss, the insured interest shall not exceed the insured's interest at the time of loss or the beginning of harvest, whichever occurs first.

2. *Responsibility of the insured to report acreage and interest.* Promptly after planting the insured crops each year the insured shall submit to the county office, on a form prescribed by the Corporation, a report showing all acreage in the county planted to each insured crop (including a designation of any acreage of an insurable crop covered by the contract to which insurance does not attach) in which he has an interest and his interest therein at the time of planting. If both winter and spring crops are insurable in a county, a separate report of acreage planted to winter crops shall be submitted promptly after completion of planting the insured winter crops. If the insured does not have an interest in any insured acreage in the county for any year he shall nevertheless submit a report so indicating. Any acreage report submitted by the insured shall be binding upon the insured and shall not be subject to change by the insured. The insured shall also be privileged to file a separate acreage report for each crop and if he fails to file an acreage report within 30 days after the planting of such insured crop is generally completed in the county, the Corporation may elect to determine the insured acreage and the interest or declare the insured acreage to be "zero" with respect to the crop for which the acreage report was not filed.

3. *Premium rates, guaranteed production, and amounts of insurance.* (a) For each crop year of the contract the (1) premium rates, (2) guaranteed production, and (3) amounts of insurance per acre shall be those established by the Corporation for such crop year and shown on the county actuarial table on file in the county office: *Provided,* That, where so shown on the county actuarial table, the maximum amounts of insurance per acre applicable to certain specified acreage identified in such table shall be the amount shown thereon for such purpose.

(b) The provisions of this paragraph apply to all insured crops unless expressly provided otherwise in an individual crop endorsement. The amounts of insurance per acre which may be elected by the insured for any crop will be shown on the county actuarial table for that crop on file in the county office. A person applying for a contract of insurance to be effective beginning with the 1961 or any subsequent crop year shall elect the amount of insurance per acre as to each crop at the time the application for insurance is made. Insureds under contracts of insurance which were applied for and which were in force prior to the 1961 crop year may elect the amount of insurance per acre to be in effect for the 1961 crop year, or any insured may change the amount of insurance per acre which was in effect for a prior crop year and make a new election by notifying the county office in writing of such election or change on or before the cancellation date for the crop year for which the election or change is to become effective unless a different date is provided in the applicable endorsement. If an insured who had a contract in force during the 1960 crop year which did not provide a guaranteed production with respect to a crop in such year does not elect an amount of insurance per acre with respect to such crop for the 1961 crop year, the amount of insurance per acre which shall be in effect for such crop for the 1961 crop year shall be the amount as provided in the applicable endorsement. Unless the contract of insurance is cancelled or terminated pursuant to the terms thereof, the amount of insurance per acre as to each crop in effect for a crop year under a contract of insurance shall be the amount of insurance most recently elected by the insured under such contract but shall not exceed the applicable maximum dollar amount of insurance per acre as shown on the county actuarial table, or in the absence of *any* election, the amount of insurance in effect as to each crop for a crop year shall be the applicable amount shown on the county actuarial table for that crop year for such purpose: *Provided,* That in any case where an amount of insurance per acre as elected for a crop is not included in the amounts of insurance shown on the county actuarial table which may be elected by the insured for a subsequent crop year, and the insured does not elect an amount of insurance per acre for such crop for such subsequent crop year as provided in such contract of insurance, the amount of insurance per acre in effect as to such crop for such crop year shall be the applicable amount shown on the county actuarial table for that crop year for such purpose.

4. *Annual premium.* (a) The annual premium for an insured crop shall be earned and payable when the insured crop is planted.

(b) Any amount of premium for an insured crop which is unpaid on the day following the discount date for such crop shall be increased by ten percent, which increased amount shall be the premium balance, and thereafter, at the end of each 12 months' period six percent simple interest shall attach to any amount of the premium balance which is unpaid.

(c) The insured's annual premium for an insured crop shall be reduced 5 percent if he has had three consecutive years of insurance on such crop immediately preceding the current crop year (eliminating any year in which a premium was not earned) without a loss for which an indemnity was paid. For each such additional consecutive year of insurance on such crop without a loss for which an indemnity was paid, the insured's annual premium shall be reduced an additional 5 percent, except that the total reduction shall not exceed 25 percent. If an insured has a loss on a crop for which an indemnity is paid, the number of such consecutive years of insurance on such crop without a loss for which an indemnity was paid shall be reduced by 3 years: *Provided,* That, where the insured has 7 or more such years, a reduction to 4 shall be made and where the insured has 3 or less such years, a reduction to zero shall be made.

(d) Any unpaid amount due the Corporation by the insured may be deducted from any indemnity payable to the insured by the Corporation, or from any loan or payment to the insured under any act of Congress or program administered by the United States Department of Agriculture, unless prohibited by law.

(e) If, for any crop except peaches and all citrus, the insured pays the premium for that crop at the same time he files his acreage report and further providing that it be filed within 30 days after the planting of such crop is generally completed in the country, as determined by the Corporation, the premium which would otherwise be payable for the crop shall be reduced 5 percent.

5. *Minimum premium.* If in any year a premium is earned for any crop and the net premium totals less than $10.00, the amount shall be increased to $10.00, except that in any county where it is provided on the county actuarial table that insurance will not be provided on any crop unless the insured has a contract in force providing insurance on all insurable crops shown on the county actuarial table the minimum premium shall be $20.00 for all crops insured under the contract.

6. *Changes in the contract.* The Corporation reserves the right to change the insurable crops, premium rates, guaranteed production, amounts of insurance per acre, and other terms and provisions of the contract, from year to year. Any changes in the contract, with respect to any crop shall be mailed to the insured or placed on file in the county office at least 15 days prior to the cancellation date for that crop, preceding the crop year for which the changes are to become effective, and such mailing or filing shall constitute notice to the insured. Failure of the insured to cancel the insurance with respect to any crop for which changes are made as provided in section 15 shall constitute his acceptance of any such changes.

7. *Causes of loss not insured against.* The contract shall not cover any loss due to the neglect or malfeasance of the insured, any member of his household, his tenants, sharecroppers, or employees, or failure to follow recognized good farming practices, or to any cause other than those specified in the applicable endorsement.

8. *Notice of loss or substantial damage.* (a) If, during the growing season, an insured crop on any insurance unit is damaged to the extent that the insured does not expect to further care for the crop or he wants the consent of the Corporation to put the acreage to another use, the insured shall promptly give written notice of such damage to the Corporation at the county office.

(b) If an insured loss occurs on any insurance unit the insured shall give prompt written notice to the Corporation at the county office within 15 days after threshing (harvesting in the case of any crop that is not normally threshed) is completed on the insurance unit or the calendar date for the end of the insurance period, whichever is earlier.

(c) The Corporation reserves the right to reject any claim for loss if any of the requirements of this section are not met if it determines that it has been prejudiced by such failure.

9. *Acreage appraised to be put to another use.* (a) No acreage of an insured crop shall be put to another use until the Corporation appraises the potential production of such acreage and consents in writing to such other use. Such consent shall not be given until it is too late to replant to the same crop. The appraised potential production from such acreage will be counted as production as provided in section 11 when any indemnity for the insurance it involved is determined: *Provided, however,* If the acreage is not put to another use before harvest of the insured crop becomes general in the county or the acreage is harvested, the indemnity with respect to the insurance unit shall be determined without regard to the consent of the Corporation to put the acreage to another use and the appraisal made in connection therewith.

(b) There shall be no abandonment to the Corporation of the insured crop.

10. *Time of loss.* Any loss shall be deemed to have occurred at the end of the insurance period unless the entire crop on the insurance unit is destroyed earlier, in which event the loss shall be deemed to have occurred on the date of such destruction as determined by the Corporation.

11. *Claims for loss.* (a) Any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the time of loss.

(b) It shall be a condition precedent to the payment of any loss that the insured establish the production of the insured crop on the insurance unit and that such loss has been directly caused by one or more of the hazards insured against during the insurance period for the crop year for which the loss is claimed, and furnish any other information regarding the manner and extent of loss as may be required by the Corporation. Any insured acreage which is not to be harvested shall be left intact until the Corporation makes an inspection.

(c) The provisions of this paragraph are modified by the provisions for determining amount of loss and production to be counted contained in applicable endorsements. Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the insured acreage of the insured crop on the insurance unit by the applicable guaranteed production per acre, which product shall be the guaranteed production for the insurance unit, (2) subtracting therefrom the total production to be counted for the insurance unit, (3) dividing the result thus obtained by the guaranteed production for the insurance unit, (4) multiplying the ratio thus obtained by the product of the insured acreage of the insured crop on the insurance unit and the applicable amount of insurance per acre, and (5) multiplying the result by the insured interest: *Provided,* That if for the insurance unit the insured fails to report all of his interest or insurable acreage the amount of loss shall be determined with respect to all of his interest and insurable acreage, but in such cases or otherwise, if the premium computed on the basis of the insurable acreage and interest exceeds the premium on the reported acreage and interest, or the acreage and interest when determined by the Corporation under section 2 of this policy, the amount of loss shall be reduced proportionately. The total production to be counted for an insurance unit shall be determined by the Corporation and shall include all threshed (harvested in the case of crops not normally threshed) production and any appraisals made by the Corporation for unthreshed, unharvested, or potential production, poor farming practices, uninsured causes of loss, or for acreage abandoned or put to another use without the consent of the Corporation: *Provided,* That the total production to be counted for any acreage not eligible for the highest stage of guaranteed production shall be the amount by which the total of any appraised and harvested production exceeds the difference between the guaranteed production applicable for such acreage and the highest stage of guaranteed production established for such acreage: *Provided further,* That guaranteed production on any acreage of an insured crop which is abandoned or put to another use without the consent of the Corporation shall be the maximum guaranteed production provided for such acreage and the total production to be counted therefrom shall not be less than such guaranteed production.

(d) If the production from an insurance unit is commingled with the production from any other acreage and the insured fails to keep records satisfactory to the Corporation of the acreages involved and the production from each, the Corporation may allocate the commingled production in such manner as it determines appropriate if sufficient facts are available as determined by the Corporation; otherwise the Corporation may deny liability with respect to all insurance units involved for the crop year without affecting the insured's liability for premium.

12. *Payment of indemnity.* (a) Any indemnity will be payable within thirty days after a claim for loss is approved by the Corporation: *Provided,* That in no event shall the Corporation be liable for interest or damages in connection with any claim for indemnity.

(b) If the insured dies, is judicially declared incompetent, or disappears, any indemnity which is, or becomes, part of his estate shall be paid to the legal representative of the estate. Where no such representative has qualified, the Corporation may pay the indemnity to the person it determines to be beneficially entitled thereto or to any one or more of such persons on behalf of all such persons, or may withhold payment until a legal representative of the estate is qualified. In such cases, and in any case where diverse interests appear or an indemnity is claimed by a person other than the original insured the determination of the Corporation as to the person to whom payment shall be made shall be final and conclusive. Payment of an indemnity shall constitute a complete discharge of the Corporation's obligation with respect to the loss for which such indemnity is paid.

13. *Avoidance of contract.* The Corporation may void the contract with respect to any crop without affecting the insured's liability for premiums or waiving any right or remedy including the right to collect any unpaid premiums if at any time, either before or after any loss, the insured has concealed or misrepresented any material fact or committed any fraud relating to the contract, with respect to such crop, and such voidance shall be effective as of the beginning of the crop year with respect to which any such act or omission occurred.

14. *Other insurance.* If the insured has other insurance, whether valid or not, against damage by fire during the insurance period, the Corporation shall only be liable for loss due to fire for the smaller of either (a) the amount of indemnity determined pursuant to this contract without regard to any other insurance, or (b) the amount as determined by the Corporation by which the loss from such risk exceeds the indemnity paid or payable under such other insurance. For the purposes of this section the "amount of loss from such risk" shall be the difference between the fair market value of the production on the insurance unit involved before the fire and after the fire, as determined by the Corporation from appraisals made by the Corporation of the production and fair market value.

15. *Life of contract, cancellation, or termination thereof.* (a) Subject to the provisions of this section, the contract shall be in effect for the first crop year specified on the application and shall continue in effect for each succeeding crop year until insurance on all crops which have been covered by endorsement hereto is cancelled by the insured or the Corporation. Cancellation of insurance on any crop for which an endorsement hereto is in effect for any crop year may be made by either party giving written notice to the other party on or before the cancellation date for that crop (see applicable endorsement) preceding the crop year for which the cancellation is to become effective: *Provided, however,* That for any crop year insurance shall terminate on any insured crop as if cancelled by the Corporation prior to the cancellation date for that insured crop if by the termination date for indebtedness shown in the applicable endorsement, (1) any amount due the Corporation for insurance on that crop remains unpaid, except the premium due on a crop normally harvested in the calendar year in which the termination date for indebtedness for that crop occurs, or (2) the insured has not complied with a request by the Corporation that arrangements satisfactory to the Corporation be made for the payment of premium for the following crop year: *Provided further,* That the Corporation reserves the right with respect to any insurable crop in any county to terminate contracts of insurance on that crop in that county on any calendar date subsequent to the cancellation date and prior to the termination date for indebtedness in the case of contracts of insurance where the situations described in clauses (1) or (2) above of this paragraph exist as of such calendar date. For the purpose of terminating such contracts of insurance on such calendar date, the corporation shall designate such calendar date in a notice published in the FEDERAL REGISTER which date shall not be earlier than the date of filing of such notice for public inspection in the Office of the Federal Register, and shall also specify in such notice the crops involved and the counties or States affected.

(b) If the insured cancels the insurance for any crop he shall not be eligible for insurance on that crop in the county in the next succeeding crop year unless he subsequently applies for insurance on or before the cancellation date preceding such crop year: Provided, however, If the insured does not apply for insurance by such cancellation date, he shall, upon approval of the Corporation as to risk, be eligible for insurance in the next succeeding crop year if he applies within 15 days after the cancellation date preceding such crop year.

(c) The contract shall terminate upon death or judicial declaration of incompetence of the insured, except that if such death or judicial declaration of incompetence occurs after the beginning of planting of any insured crop in any crop year but before the latest calendar date specified in the attached endorsements for the end of the insurance period for any insured crop for such crop year, the contract (1) shall not terminate with respect to each insured crop until the end of the insurance period for that crop, and (2) shall cover any additional acreage of all such crops planted for the insured or his estate for that crop year.

16. *Transfer of interest.* If the insured transfers all or a part of his insured interest in an insured crop before the beginning of harvest and the time of loss, the transferee may obtain the benefits of the contract for the current crop year on the interest transferred if within 15 days after the date of transfer he (a) submits to the county office such information concerning the transfer as may be required by the Corporation, and (b)

makes arrangements satisfactory to the Corporation for the payment of any unpaid premium on the interest transferred. Upon approval of a transfer of interest by the Corporation, the transferee and the transferor shall be jointly and severally liable for any unpaid premium on the interest transferred. Any transfer shall be subject to the conditions of the contract including any collateral assignment made by the transferor, and the Corporation shall not be liable for a greater amount of indemnity in connection with the insured crop than if the transfer had not taken place.

17. *Collateral assignment.* The original insured may assign his right to an indemnity for a crop for any year under the contract by executing a form prescribed by the Corporation and upon approval thereof by the Corporation the interest of the assignee will be recognized and the assignee shall have the right to submit the loss notices and forms as required by the contract if the insured neglects or refuses to take such action.

18. *Subrogation.* The insured assigns to the Corporation all rights of recovery against any person for loss or damage to the extent that payment therefor is made by the Corporation, and shall execute all papers required and take such action as may be necessary to secure such rights.

19. *Records and access to farm.* The insured shall keep or cause to be kept, for two years after the time of loss, records of the harvesting, storage, shipments, sale, or other disposition of all of the insured crop produced on each insurance unit covered by the contract, and separate records showing the same information for production on any uninsured acreage of the insured crop in the county in which he has an interest. Any persons designated by the Corporation shall have access to such records and the farm for purposes related to the contract.

20. *Forms.* Copies of forms referred to in the contract are available at the county office.

21. *Meaning of terms.* For purposes of the crop insurance program:

(a) "Acreage report" in addition to a report of the planted acres of the insured crop as provided herein, shall be deemed to include a report on a form prescribed by the Corporation of the acres of the applicable crop intended to be planted by the insured, which report of intended planted acreage shall be considered to be his acreage report unless he files a report of the acres actually planted within 15 days after the insured crop is planted.

(b) "County" (Parish in Louisiana) means the area shown on the county actuarial table which may include farms located in a local producing area bordering on the county.

(c) "County actuarial table" means the forms and related materials (including the crop insurance maps where applicable) which are approved annually by the Corporation and show the guaranteed production, amounts of insurance per acre and the premium rates applicable in the county.

(d) "County office" means the Corporation's office for the county shown on the application for insurance or such other office as may be specified by the Corporation from time to time.

(e) "Crop year" means the period within which the insured crop is normally planted and normally harvested, and shall be designated by reference to the calendar year in which the crop is normally harvested.

(f) "Guaranteed production per acre" means the quantity of the insured crop per acre established by the Corporation by area or other designation for the insured acreage and shown on the county actuarial table on file in the county office. If the production to be counted from any insurance unit is less than the guaranteed production for that insurance unit, an indemnity subject to the terms and conditions of the contract is payable.

(g) "Insurance unit" means (1) all insurable acreage of an insured crop in the county in which one person at the time of planting has the entire interest in the crop, or (2) all such insurable acreage in the county in which two or more persons at the time of planting have the entire interest in the crop, excluding any other acreage of such crop in the county in which such persons together do not have the entire interest in the crop.

(h) "Person" or "insured" means an individual, partnership, association, corporation, estate, or trust or other business enterprise or other legal entity, and wherever applicable, a State, a political subdivision of a State, or any agency thereof.

(i) "Substitute crop" means any crop except lespedeza, annual legumes used for a green manure crop or for a cover crop and not harvested, biennial and perennial legumes and perennial grasses, planted on acreage (appraised by the Corporation to be put to another use) before harvest of the insured crop becomes general in the county (in California, before the insured crop generally in the area is mature) as determined by the Corporation. Biennial and perennial legumes and perennial grasses seeded with the insured crop or in the growing insured crop shall not be considered a substitute crop. If other small grains are seeded in a growing insured small grain crop on acreage appraised by the Corporation to be put to another use, the crop of the insured small grain crop and other grains shall be considered a substitute crop.

(j) "Tenant" means a person who rents land from another person for a share of the crop, or proceeds therefrom, produced on such land.

22. *Irrigated acreage.* (a) The acreage of an insured crop which shall be insured on an irrigated basis in any year shall not exceed the smaller of (1) that acreage which normally could be irrigated adequately with the facilities available, taking into consideration the amount of water available after providing the water required to irrigate the acreage of all uninsured irrigated crops on the farm, or (2) that acreage on which one irrigation is carried out in accordance with good farming practices as determined by the Corporation, either before the crop is planted or during the growing season, unless the insured crop on such acreage is destroyed by an insured cause before the application of irrigation water is required in accordance with good farming practices as determined by the Corporation and no damage has occurred to the insured crop due to drought or failure to apply irrigation water. Insurance shall not attach with respect to acreage planted to an insured crop the first year after being leveled. Where the irrigated acreage of the insured crop exceeds the maximum acreage which may be insured hereunder the Corporation shall determine the acreage insured on an irrigated basis.

(b) In addition to the causes of loss insured against shown in the applicable endorsement, the contract shall cover loss in production due to failure of the water supply from natural causes that could not be foreseen and prevented by the insured, including (1) lowering of the water level in pump wells, adequate at the beginning of the growing season, to the extent that either deepening the well or drilling a new well would be necessary to obtain an adequate supply of water, (2) failure of public power used for pumping or failure of an irrigation district or water company to deliver water where such failure is not within the control of the insured, or (3) the collapse of casing in wells.

(c) The contract shall not cover loss in production caused by (1) failure properly to apply adequate irrigation water to the insured crop when needed and in accordance with recognized good farming practices for the area, (2) failure to provide adequate casing or properly to adjust the pumping equipment in the event of a lowering of water level in pump wells when such adjustment can be made without deepening the well, (3) failure properly to apply irrigation water to the insured crop in proportion to the need of the crop and the amount of water available for all irrigated crops, or (4) shortage of irrigation water on any farm where the Corporation determines that the total acreage of all irrigated crops on the farm is in excess of that which could be irrigated properly with the facilities available and with the supply of irrigation water which could be reasonably expected.

§ 401.17 The barley endorsement.

The provisions of the barley endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, winter-kill, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that barley is (a) seeded with flax or other small grains or vetch, or (b) seeded on new ground acreage in counties where the cancellation date is March 15, and no insurance shall attach to any acreage not seeded to barley for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—seeded to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not seeded to a substitute crop, or (3) Third Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for barley for the 1961 crop year by the applicable date set forth below, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

California	Aug. 31, 1960
Idaho:	
Idaho County and all counties lying north thereof	Oct. 31, 1960
All other Idaho counties	Mar. 31, 1961
Maryland and Pennsylvania	Sept. 15, 1960
Oregon and Washington	Oct. 31, 1960
All other States	Mar. 31, 1961

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the barley is seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the barley is normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially seeded for purposes other than for harvest as grain as determined by the Corporation.

(b) In determining total production volunteer small grains and volunteer vetch growing with the seeded barley crop, and small grains seeded in the growing barley crop on acreage on which the Corporation has not given its consent to be put to another use shall be counted as barley on a weight basis.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed barley which does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States), because of poor quality due to insurable causes occurring within the insurance period and would not meet this grade requirement if properly handled, shall be adjusted by (1) dividing the value per bushel of the damaged barley as determined by the Corporation, by the market price per bushel at the local market for barley grading No. 4, at the time the loss is adjusted, and (2) multiplying the result thus obtained by the number of bushels of such damaged barley.

6. *Meaning of terms.* For purposes of insurance on barley the terms:

(a) "Harvest" means the mechanical severance from the land of matured barley for threshing where the barley crop has not been destroyed.

(b) "New ground acreage" means any acreage which has not been planted to a crop in any one of the previous three crop years, except (1) acreage in tame hay or rotation pasture during the previous crop year, (2) cropland, excluding land established to trees or shrubs, in the conservation reserve under the Soil Bank Act for which the conservation reserve contract period has fully run, and (3) (applicable only in Montana) any acreage which has been properly summer fallowed the previous crop year in accordance with good farming practices in the area shall not be considered new ground acreage.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date and termination date for indebtedness are the following applicable dates immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective: *Provided, however,* That for the purposes of determining the applicable cancellation and termination dates only, and notwithstanding section 21(e) of the policy, the crop year for spring planted barley insured in all counties with a March 15 cancellation date shall be considered to mean that period in which the winter barley crop in such counties is normally planted and normally harvested, and shall be designated by reference to the calendar year in which the crop is normally harvested.

State	Cancellation date	Termination date for indebtedness
California	Mar. 15	Aug. 31
Idaho:		
Idaho County and all Idaho counties lying north thereof	do	Oct. 31
All other Idaho counties	Dec. 31	Mar. 31
Maryland and Pennsylvania	do	Sept. 15
Oregon and Washington	Mar. 15	Oct. 31
All other States	Dec. 31	Mar. 31

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the barley is normally harvested.

8. *Guaranteed Production and amount of insurance per acre in Larimer, Morgan, and Weld Counties, Colorado.* The provisions of this section 8 shall be a part of the barley endorsement of any contract of insurance for which application is made and is accepted by the corporation in Larimer, Morgan, and Weld Counties, Colorado. In lieu of the provisions of subsection 3(a) of this endorsement, and notwithstanding any other provisions of this contract, in Larimer, Morgan, and Weld Counties, Colorado, the guaranteed production and the amount of insurance per acre for any acreage of spring barley on which no irrigation water is applied (but otherwise qualifying for insurance on an irrigated basis under the provisions of section 22(a) of the policy) shall be 25 percent respectively of the guaranteed production and the amount of insurance in the third (harvested) stage for the irrigated practice shown on the county actuarial table.

§ 401.18 The dry edible bean endorsement.

The provisions of the dry edible bean endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that beans are planted on new ground acreage, and no insurance shall attach to any acreage not planted to dry edible beans of a class shown on the county actuarial table as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—not pulled or cut, (2) Second Stage—pulled or cut but not threshed, or (3) Third Stage—threshed.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for dry edible beans for the 1961 crop year by May 15, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the beans are planted and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than December 15 of the calendar year in which the bean crop is normally harvested.

5. *Claims for loss.* Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining the production to be counted, the production to be counted of any threshed dry edible beans of the classes pea and medium white with a pick in excess of 4 percent and of any other classes which do not grade No. 2 or better (determined in accordance with the Official United States Standards for beans), shall be adjusted by multiplying the number of hundred-weight of such damaged dry edible beans by the conversion factor shown on the county actuarial table for the applicable grade or pick; *Provided, however,* That the production to be counted of any such damaged beans which do not meet any U.S. Grade or pick shown on the county actuarial table because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be adjusted by (a) dividing the value of the damaged beans per hundred-weight, as determined by the Corporation, by the market price per hundred-weight at the local market at the time the loss is adjusted for beans of the applicable class grading No. 2 (except that for the classes pea and medium white the market price per hundred-weight at the local market at the time the loss is adjusted for beans of these classes with a 4 percent pick shall be used), and (b) multiplying the result thus obtained by the number of hundred-weight of such damaged beans.

6. *Meaning of terms.* For purposes of insurance on dry edible beans the terms:

(a) "Harvest" means pulling or cutting matured beans for threshing where the bean crop has not been destroyed.

(b) "New ground acreage" means any acreage which has not been planted to a crop in any one of the previous three crop years, except that (1) acreage in tame hay or rotation pasture during the previous crop year and (2) cropland, excluding land established to trees or shrubs, in the conservation reserve under the Soil Bank Act for which the conservation reserve contract period has fully run shall not be considered new ground acreage.

(c) "Pick" means the defects consisting of splits, damaged beans, contrasting classes and foreign material included in net weight beans, and where used shall be expressed in terms of percent of net weight beans.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the May 15 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the bean crop is normally harvested.

§ 401.19 The combined crop endorsement.

The provisions of the combined crop endorsement for the 1961 and succeeding crop years are as follows:

1. *General.* As to each insured crop, the provisions for that crop contained in the individual endorsement for such crop on file in the county office shall apply except as provided otherwise herein. In addition, for the purpose of combined crop insurance, those parts of the policy which refer to individual crops shall be considered to mean all crops insured under this endorsement.

2. *Insured crops.* (a) In lieu of the first sentence of section 1 of the policy, the following shall apply: "The crops insured are all of the crops (to the extent of interest of the insured therein as hereinafter set out) for which guaranteed production, amounts of insurance, and premium rates are shown on the county actuarial table for combined crop insurance, and which are grown on insured acreage."

(b) In counties in the states of North Dakota and South Dakota, insurance shall not attach or be considered to have attached to any acreage of rye for the first crop year of a combined crop insurance contract or for any subsequent crop year when the contract is cancelled or terminated for indebtedness for that crop year pursuant to the provisions of subsection 15(a) of the policy.

3. *Annual premium.* Section 3 of the individual crop endorsements for cotton and wheat shall not be applicable under combined crop insurance.

4. *Claims for loss.* In lieu of that portion of subsection 11(c) of the policy, preceding the first colon, the following shall apply: "Losses shall be determined separately for

each insurance unit. The amount of loss with respect to any insurance unit shall be determined in the following manner: (a) for each insured crop on the insurance unit multiply the insured acreage by the applicable guaranteed production per acre which products shall be the guaranteed production for the respective insured crops, (b) divide the total production to be counted for each insured crop by the guaranteed production for the respective crops, (c) multiply the ratio thus obtained for the respective crops by the product of the insured acreage of such crops, the applicable dollar amount of insurance per acre and the insured's interest, (d) add the dollar amounts for each of the respective insured crops obtained in (c) above, and (e) subtract the sum thus obtained from the sum of the products of the acreage of each of the respective insured crops, the applicable amount of insurance per acre and the insured's interest."

5. *Life of the contract, cancellation, or termination thereof.* Section 6 of the individual crop endorsement for cotton shall not be applicable under combined crop insurance.

6. *Meaning of terms.* For purposes of combined crop insurance the term: "Insurance unit," notwithstanding any other provisions of the policy or any endorsement thereto means (a) all insurable acreage of all insured crops in the county in which one person at the time of planting has the entire interest in the crops, or (b) all such insurable acreage in the county in which two or more persons at the time of planting have the entire interest in the crops, excluding any other acreage of crops in the county in which such persons together do not have the entire interest in the crops: *Provided, however,* That in any parish or county where rice is an insurable crop, insurable acreage which otherwise would constitute an insurance unit under the provisions of (a) and (b) of this subsection except for the fact that a share of the insured rice crop has been or will be paid for irrigation water, shall constitute an insurance unit within the meaning of this section.

7. *Cancellation, termination for indebtedness, and discount dates.* For each crop year of the contract in any county, the cancellation date, the termination date for indebtedness, and the discount date for a contract shall be respectively the earliest applicable cancellation date, termination date, and discount date for that county shown in the individual crop endorsements for any crop for which coverages and premium rates are shown on the actuarial table for that county for combined crop insurance: *Provided, however,* That in counties in North Dakota and South Dakota, where rye is an insurable crop under combined crop insurance, the cancellation date and the termination date for indebtedness for rye shall be disregarded in determining the cancellation date and the termination date for indebtedness for combined crop insurance.

§ 401.20 The corn endorsement.

The provisions of the corn endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that the corn is true type silage corn or thick planted corn for silage or fodder purposes, sweet corn, popcorn, broom corn, corn planted for the development of hybrid seed corn, or any type of corn other than that normally regarded as field corn, and no insurance shall attach to any acreage not planted to corn for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—planted to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not planted to a substitute crop or fed to livestock in the field after consent and appraisal by the Corporation in accordance with section 9 of the Policy, or (3) Third Stage—harvested, or to be harvested.

(b) If an insured with a crop insurance contract in force during the 1960 crop year which did not provide a guaranteed production on corn does not elect an amount of insurance per acre for the 1961 crop year by April 30, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured, unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the corn is planted and shall cease upon harvesting or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than December 10 (October 31 in North Dakota) of the calendar year in which the corn is normally harvested.

5. *Acreage appraised to be put to another use.* Notwithstanding section 9(a) of the policy, the corn crop on any insured acreage may be used for silage or fodder without an appraisal and consent by the Corporation to be put to another use, provided the insured (except in Colorado) leaves a number of rows considered by the Corporation to be an adequate representative sample for use by the Corporation in appraising the production.

6. *Claims for loss.* (a) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any corn which does not grade No. 3 or better, and in addition, does not grade No. 4 on the basis of test weight only but otherwise grades No. 3 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these grade requirements if properly handled, shall be determined by (1) dividing the value per bushel of the damaged corn as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for corn grading No. 3, and (2) multiplying the result thus obtained by the number of bushels of such damaged corn.

(b) The Corporation reserves the right to determine the amount of production of unharvested corn standing in the field on the basis of an appraisal.

7. *Meaning of terms.* For purposes of insurance on corn, the terms:

(a) "Harvest" means picking the corn from the stalk either by hand or machine, or cutting the corn for fodder or silage. For the purpose of determining the applicable stage referred to in section 3(a) of this endorsement, any acreage shall not be considered as harvested (except in North Dakota) unless the harvested, or to be harvested, production therefrom equals 10 percent or more of the guaranteed production from such acreage in the harvested stage.

(b) "Substitute crop," notwithstanding the provisions of section 21(i) of the policy, means any crop other than corn planted for harvest in the same crop year on acreage appraised by the Corporation to be put to another use.

8. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the April 30 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the corn crop is normally harvested.

9. *Special provisions applicable only in Colorado.* The provisions of this section 9 shall be a part of the corn endorsement of any contract of insurance for which application is made and accepted in any county in Colorado.

(a) Notwithstanding the provisions of section 2 of this endorsement, insurance shall attach on acreage on which it is determined by the Corporation that the corn is true type silage corn or thick planted corn for silage or fodder purposes, except that insurance shall not attach to any acreage planted to corn for harvest as fodder which is initially planted too late to be expected to mature as grain, as determined by the Corporation.

(b) Notwithstanding the provisions of subsection 6(a) of this endorsement, the provisions thereof shall apply only if the corn is of a variety adapted to the production of corn for grain and is harvested as grain or fodder.

(c) Any production (grain or silage) of corn to be counted shall be counted as grain, and in such counties the number of bushels of grain to be counted for any corn harvested as silage and the appraised production of any true type silage corn and corn planted thick for silage but not harvested for silage shall be the product of the number of tons of such production and the factor shown on the county actuarial table for such purpose.

10. *Special provision applicable only in North Dakota.* The provision of this section 10 shall be a part of the corn endorsement of any contract of insurance for which application is made and accepted in any county in North Dakota. If the appraised or actual production of corn which was or could have been used for silage is one ton or more per acre, the number of bushels of corn for grain to be counted shall not be less than two bushels per acre.

§ 401.21 The cotton endorsement.

The provisions of the cotton endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of lint cotton production on the cotton crop due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach or be considered to have attached on acreage on which it is determined by the Corporation that cotton is (a) planted following in the same year a small grain crop which reaches the heading stage, (b) planted on new ground acreage, or (c) planted in excess of the allotment, permitted acreage, or any other acreage limitation established under any program administered by the Secretary of Agriculture but destroyed by natural causes or by the insured and not considered as cotton under the provisions of such program.

3. *Annual premium.* (a) There will be a reduction in the annual cotton premium for each insurance unit of four percent for each full hundred acres of insured acreage on the unit: *Provided, however,* That the total reduction shall not exceed 20 percent.

(b) Subject to section 5 of the policy, the amount of the premium determined for an insurance unit shall not exceed 50 percent of the applicable amount of insurance for the insurance unit as determined by the stage reached by the crop as set forth under section 4 of this endorsement.

4. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive by stages which are: (1) First Stage—after it is too late to plant cotton but before laying by, (2) Second Stage—after laying by but before harvest, or (3) Third Stage—after harvest and to the end of the insurance period: *Provided, however,* And notwithstanding section 8(b) of this endorsement or any other provisions of the contract, acreage on which the Corporation determines the cotton crop has been damaged to the extent that farmers generally in the area where the land is located would not further care for the crop or harvest any portion thereof, shall be deemed to have been destroyed at the time of such damage even though the cotton crop on such acreage was further cared for or harvested. The guaranteed production and the amount of insurance applicable to such acreage shall be that established for the stage reached by the crop at the time of such damage as determined by the Corporation.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for cotton for the 1961 crop year by the applicable date set forth below, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, except Cameron, Hidalgo, and Willacy Counties	Feb. 28, 1961
Cameron, Hidalgo, and Willacy Counties	Jan. 31, 1961
All other Texas counties	Mar. 31, 1961
All other States	Mar. 31, 1961

5. *Insurance period.* Insurance on any insured acreage shall attach at the time the cotton is planted and, with respect to any portion of the crop, shall cease upon removal from the field, upon being housed, or upon disposal of the unharvested crop, or transfer of interest in unharvested cotton after harvest has commenced, but in no event shall insurance remain in effect later than the applicable date set forth below immediately following the beginning of the normal harvest period:

Alabama:	
Randolph, Clay, Talladega, Shelby, Tuscaloosa, and Pickens Counties, and all Alabama counties lying south thereof	Nov. 15
All other Alabama counties	Dec. 15
Arkansas, Georgia, and South Carolina	Dec. 15
Arizona and California	Jan. 31
Louisiana	Nov. 30
Mississippi:	
Noxubee, Winston, Attala, Holmes, Yazoo, and Issaquena Counties, and all Mississippi counties lying south thereof	Nov. 30
All other Mississippi counties	Dec. 15
New Mexico, North Carolina, Oklahoma, and Tennessee	Dec. 31
Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof	Sept. 30
Andrews, Martin, Howard, Mitchell, Scurry, Kent, Dickens, Motley, Hall, and Collingsworth Counties, and all Texas counties lying north and west thereof	Dec. 31
All other Texas counties	Nov. 30

6. *Life of contract, cancellation, or termination thereof.* Notwithstanding section 15(b) of the policy, insurance may be provided in any crop year to any person who cancelled his contract for that crop year and who applies for insurance to cover (a) an interest (individual or sharecroppers') not covered by the cancelled contract, or (b) both the individual and sharecroppers' interests where only one such interest was covered under the cancelled contract.

7. *Claims for loss.* (a) The cotton stalks on any acreage with respect to which a loss is claimed, shall not be destroyed until the Corporation makes an inspection.

(b) Notwithstanding section 11(c) of the policy, the total production to be counted for an insurance unit shall not include any harvested production destroyed due to insurable causes occurring within the insurance period before being housed or removed from the field.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining the production to be counted, in any case where the quality of any production of cotton is reduced solely by insured causes to the extent that the value per pound, as determined by the Corporation, is less than 75 percent of the market price at the local market at the time the loss is adjusted, for cotton of the grade and staple length shown on the county actuarial table for this purpose, the number of pounds of such poor quality cotton shall be adjusted downward to the number of pounds obtained by dividing the total value of the damaged cotton, as determined by the Corporation, by 75 percent of the market price per pound at the local market at the time the loss is adjusted, for cotton of the grade and staple length shown on the county actuarial table for this purpose.

8. *Meaning of terms.* For purposes of insurance on cotton, the terms:

(a) "Cotton" means only a crop of American Upland cotton and does not include cotton planted primarily for experimental purposes.

(b) "Harvest" means the removal of seed cotton from the open cotton boll or the severance of the open cotton boll from the stalk by either manual or mechanical means. For the purpose of determining the stage of guaranteed production, any acreage shall not be considered as harvested unless (1) the production of lint cotton actually harvested therefrom equals 20 percent or more of the guaranteed production for such acreage in the third stage of production, and (2) the Corporation determines as authorized in section 4(a) of this endorsement that the acreage is eligible for the third stage of guaranteed production.

(c) "Laying by" means the completion of the final cultivation, consistent with good farming practices, that would be necessary to carry the crop to harvest.

(d) "New ground acreage" in all States except Arizona, California, and New Mexico, means acreage on which it was necessary to remove or deaden timber and remove undergrowth to carry out established cultural practices. Pasture land, other than woodland pasture, cleared of underbrush and brought into cultivation will not be considered new ground acreage. In Arizona, California, and New Mexico, "new ground acreage" means any acreage which has not been planted to a crop in any one of the previous three crop years, except that acreage in tame hay or rotation pasture during the previous crop year shall not be considered new ground acreage.

(e) "Sharecropper" or "share tenant" means a person other than an owner-operator or tenant-operator who works cotton under supervision of a farm operator and is entitled to receive a share of the crop or proceeds therefrom and includes a person employed on the farm of an owner-operator or tenant-operator who receives for his labor the entire interest of such owner-operator or tenant-operator in the cotton crop, or proceeds therefrom, produced on a specified acreage of such farm (for the purpose of the contract the owner-operator or tenant-operator of the farm shall be considered to have an interest in such acreage).

(f) "Tenant-operator" or "tenant" means a person who rents land from another person for a share of the cotton crop, or proceeds therefrom, produced on such land and is responsible for farm management with respect to the production of cotton on such acreage whether produced by his own or other person's labor.

(g) "Owner-operator" means a person who owns land and is responsible for farm management with respect to the production of cotton on such acreage whether produced by his own or other person's labor. Land rented for cash or a fixed commodity payment shall be considered owned by the lessee.

9. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 immediately preceding the beginning of the crop year for which the cancellation is to become effective.

(b) For each year of the contract the termination date for indebtedness shall be the following applicable date immediately preceding the beginning of the crop year for which the termination is to become effective:

Texas:	
Jackson, Victoria, Goliad, Bee, Live Oak, Atascosa, Medina, Uvalde, and Kinney Counties, and all Texas counties lying south thereof, except Cameron, Hidalgo, and Willacy Counties	Feb. 28
Cameron, Hidalgo, and Willacy Counties	Jan. 31
All other Texas counties	Mar. 31
All other States	Mar. 31

(c) For each crop year of the contract, the discount date shall be the following applicable date immediately following the normal harvest period: January 31 for counties in Arizona, California, and New Mexico and for Andrews, Martin, Howard, Mitchell, Scurry, Kent, Dickens, Motley, Hall, and Collingsworth Counties, Texas, and for all Texas counties lying north and west thereof; November 30 for all other Texas counties; December 31 for Oklahoma; and December 15 for all other counties.

§ 401.22 The flax endorsement.

The provisions of the flax endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and

any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that flax is seeded with any other crop, except perennial grasses or legumes other than vetch, and no insurance shall attach to any acreage not seeded to flax for harvest as seed as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—seeded to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not seeded to a substitute crop, or (3) Third Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for flax for the 1961 crop year by March 31, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the flax is seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the flax is normally harvested.

5. *Claims for loss.* Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed flax which does not grade No. 2 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet this requirement if properly handled, shall be adjusted by (a) dividing the value per bushel of the damaged flax, as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for flax grading No. 2, and (b) multiplying the result thus obtained by the number of bushels of such damaged flax.

6. *Meaning of terms.* For purposes of insurance on flax the term: (a) "Harvest" means the mechanical severance from the land of matured flax for threshing where the flax crop has not been destroyed.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the March 31 immediately preceding the beginning of the crop year for which the cancellation or termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the flax is normally harvested.

§ 401.23 The grain sorghum endorsement.

The provisions of the grain sorghum endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that the sorghum is (a) not a combine type grain sorghum, (b) a forage sorghum or thick planted sorghum for silage or fodder purposes, (c) planted in rows too close for cultivation, (d) planted for the development of hybrid seed, or (e) planted on acreage which was seeded to wheat the previous fall, and no insurance shall attach to any acreage not planted to a combine type grain sorghum for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—unharvested, or (2) Second Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for grain sorghum for the 1961 crop year by April 30, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the grain sorghum is planted and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than December 31 of the calendar year in which the grain sorghum is normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially planted for purposes other than for harvest as grain as determined by the Corporation.

(b) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed grain sorghum which does not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be adjusted by (1) dividing the value of the damaged grain sorghum per hundred-weight, as determined by the Corporation, by the market price per hundred-weight at the local market at the time the loss is adjusted for grain sorghum grading No. 4, and (2) multiplying the result thus obtained by the number of hundred-weight of such damaged grain sorghum.

6. *Meaning of terms.* For purposes of insurance on grain sorghum the term:

(a) "Harvest" means the mechanical severance from the land of matured grain sorghum for threshing where the grain sorghum crop has not been destroyed.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the April 30 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the December 31 of the calendar year in which the grain sorghum crop is normally harvested.

§ 401.24 The oat endorsement.

The provisions of the oat endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that oats are seeded with flax or other small grains or vetch, and no insurance shall attach to any acreage not seeded to oats for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—seeded to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not seeded to a substitute crop, or (3) Third Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for oats for the 1961 crop year by March 31, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amounts of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the oats are seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the oats are normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially seeded for purposes other than for harvest as grain as determined by the Corporation.

(b) In determining total production volunteer small grains and volunteer vetch growing with the seeded oat crop, and small grains seeded in the growing oat crop on acreage on which the Corporation has not given its consent to be put to another use, shall be counted as oats on a weight basis.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed oats which do not grade No. 3 or better, and in addition, do not grade No. 4 on the basis of test weight only but otherwise grade No. 3 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be adjusted by (1) dividing the value per bushel of the damaged oats as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for oats grading No. 3, and (2) multiplying the result thus obtained by the number of bushels of such damaged oats.

6. *Meaning of terms.* For purposes of insurance on oats the term: (a) "Harvest"

means the mechanical severance from the land of matured oats for threshing where the oat crop has not been destroyed.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the March 31 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the oat crop is normally harvested.

§ 401.25 The orange endorsement.

The provisions of the orange endorsement, which shall apply only to counties in California for the 1961 and succeeding crop years, are as follows:

1. *Cause of loss insured against.* The insurance provided is against unavoidable loss of production on the insured orange crop due to freeze.

2. *Insured crop.* In lieu of all of section 1 of the policy, except the first and last sentence thereof, the following shall apply:

(a) The insured acreage for each crop year shall be that acreage of navel and valencia oranges in the county which is shown as insurable acreage on the county actuarial table and in which the insured had an interest on the date insurance attaches and the interest insured shall be the interest of the insured in such acreage at that time, as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect: *Provided,* That acreage having a potential production for any crop year of less than 200 standard citrus field picking boxes per acre as determined by the Corporation is uninsurable for that crop year.

(b) Insurance for each crop year of the contract shall cover only oranges setting from the annual bloom occurring in the calendar year in which the insurance period begins.

3. *Ten percent minimum option.* In consideration of the payment of the additional premium shown on the county actuarial table by any insured, the deduction provided for in subsection 10(b)(3) of this endorsement will not be made in determining the amount of loss under the contract if the average percent of damage is ten percent or more. For any crop year the insured may elect that the provisions of this section shall apply to his contract of insurance, by notifying the county office in writing of such election prior to the date insurance attaches for such crop year, or he may terminate any such an election by notifying the county office in writing prior to such date.

4. *Responsibility of the insured to report acreage and interest.* In lieu of section 2 and subsection 21(a) of the policy, the insured shall report on a form prescribed by the Corporation, at the time the application for orange crop insurance is filed, all of the acreage of oranges (including a designation of any acreage of oranges to which insurance does not attach) in the county in which he has an interest and his interest therein. If the actual acreage of oranges or interest therein shown on such form changes prior to the date insurance attaches for any crop year, the insured shall submit a report to the county office of such changes, on a form prescribed by the Corporation, prior to the date insurance attaches for that crop year.

5. *Annual premium.* In lieu of subsection 4(a) of the policy, the annual premium for the insured crop shall be earned and payable on the date insurance attaches.

6. *Amounts of insurance.* If an insured had a contract in force during the 1960 crop year and fails to elect an amount of insurance for oranges for the 1961 crop year, the amount of insurance per acre in effect for the 1961 crop year shall be the amount of coverage per acre in effect under such contract in 1960. An insured may change the amount of insurance per acre which was in effect for a prior crop year and make a new election by notifying the county office in writing of such change prior to the date insurance attaches for the crop year for which the change is to become effective.

7. *Insurance period.* Insurance on any insured acreage shall attach on the October 1 at the beginning of each crop year and with respect to any portion of the crop shall cease upon harvest, but in no event shall insurance remain in effect later than March 31 of the following calendar year.

8. *Notice of loss—Inspection of groves.* In lieu of section 8 of the policy, if at any time during the insurance period the orange crop on any insurance unit is damaged by freeze the insured (a) shall give written notice of the date and estimated extent of damage to the Corporation at the county office within seven days, and (b) shall not harvest oranges on any acreage damaged by freeze until the Corporation has inspected the oranges on such acreage. If any such notice is not given or oranges are harvested prior to the Corporation's making an inspection, no damage shall be deemed to have occurred unless the insured furnishes the Corporation evidence from which it can determine to its satisfaction the extent of damage caused by freeze.

9. *Abandonment of crop.* In lieu of section 9 of the policy, there shall be no liability under the contract on any orange crop or part thereof which is abandoned by the insured without the written consent of the Corporation. There shall be no abandonment of any crop or portion thereof to the Corporation.

10. *Claims for loss.* (a) In lieu of subsection 11(a) of the policy, any claim for loss on an insurance unit shall be submitted, on a form prescribed by the Corporation, promptly after the amount of loss can be determined, but not later than the earlier of (1) 30 days after the completion of harvest on the insurance unit, or (2) July 31 of the crop year in which the loss occurred.

(b) In lieu of subsection 11 (c) of the policy, losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the insured acreage of oranges on the insurance unit by the applicable amount of insurance per acre, (2) multiplying the result thus obtained by the average percent of damage for all of the orange crop on such unit, (3) deducting therefrom 10 percent of the amount obtained in (1) above, and (4) multiplying the remainder by the insured interest; except that if the provisions of section 3 of this endorsement apply as provided therein, the deduction provided for in (3) above will not be made if the average percent of damage is 10 percent or more.

(c) The average percent of damage to oranges on an insurance unit shall be the ratio of the number of standard citrus field picking boxes of oranges lost from freeze to the total number of standard citrus field picking boxes which was or would have been produced. The number of boxes which was or would have been produced shall include (1) oranges picked before the insured damage occurs, (2) oranges remaining on the trees after the damage occurs, (3) oranges lost from freeze, and (4) any other oranges not included in items (1) through (3), including oranges lost from causes not insured against other than normal dropping. Oranges lost from freeze shall be oranges to which damage from freeze is serious as defined in the Agricultural Code of California (as amended through January 1, 1958) as determined by the Corporation from grove inspections, marketing agency records, proof furnished by the insured, or from any other evidence that may be made available. The Corporation reserves the right to delay the determining of the extent of damage from freeze and the settlement of any loss until the insured makes available to it complete records of the marketing of the insured crop for the crop year.

11. *Life of contract, cancellation, or termination thereof.* In lieu of item (1) of subsection 15(a) of the policy, the following shall apply: "(1) any amount due the Corporation for insurance on that crop remains unpaid,"

12. *Meaning of terms.* For purposes of insurance on oranges the terms:

(a) "Crop year," in lieu of section 21(e) of the policy, means the period beginning October 1 and extending through September 30 of the following calendar year, and shall be designated by reference to the calendar year in which the insurance period begins.

(b) "Harvest" means any severance of oranges from the tree either by pulling or picking, or picking the marketable oranges from the ground.

(c) "Insurance unit," in lieu of section 21(g) of the policy, means all insurable acreage in the county of any one insurable variety of oranges (navel or valencia) (1) in which the insured has 100 percent interest on the date insurance attaches that is located on contiguous land under the same ownership, or (2) in which two or more persons have 100 percent interest on the date insurance attaches that is located on contiguous land under the same ownership, excluding any other acreage of oranges in which such persons do not have 100 percent interest on such date. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee. Contiguous land shall include only land that is touching at any point except that land that is separated only by a public or private way shall be considered contiguous.

13. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the July 31 and the termination date for indebtedness shall be the September 30 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the date insurance attaches for such crop year.

14. *Acceptance of applications in the month of October.* The provisions of this section 14 shall be a part of the orange endorsement of any contract of insurance for which application is made and is accepted by the Corporation during the month of October. Applications for orange insurance for the first crop year of such insurance which are submitted to the county office during the month of October of such crop year and which, notwithstanding the premium payable provision of section 5 of this endorsement, are accompanied by payment of the premium for such insurance may be accepted by the Corporation during such month of October: *Provided, however,* That in any case in which an application for orange insurance submitted during the month of October is accepted by the Corporation, insurance shall attach for the first crop year, notwithstanding the provision of section 7 of this endorsement, on the tenth day after the date of premium payment for that crop year (the date of premium payment shall be the date an official receipt is issued by an authorized representative of the Corporation acknowledging that premium payment has been received in the county office).

§ 401.26 The peach endorsement.

The provisions of the peach endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production on the insured peach crop due to frost, freeze, hurricane, tornado, hail, or windstorm when accompanied by hail.

2. *Insured crop.* In lieu of all of section 1 of the policy except the first and last sentences thereof, the following shall apply:

(a) The insured acreage for each crop year shall be that acreage of peaches in the county which is shown as insurable acreage on the county actuarial table and in which the insured had an interest on the January 15 immediately preceding the beginning of the crop year and the interest insured shall be the interest of the insured in such acreage at that time, as reported by the insured or as determined by the Corporation, whichever the Corporation shall elect: Provided, That any acreage of peaches which has not reached the fourth growing season or any acreage having a potential production of less than 100 bushels per acre for any crop year is uninsurable for that crop year.

3. *Responsibility of the insured to report acreage and interest.* In lieu of section 2 and subsection 21(a) of the policy, the insured shall report on a form prescribed by the Corporation, at the time the application for peach crop insurance is filed, all of the acreage of peaches (including a designation of any acreage of peaches to which insurance does not attach) in the county in which he has an interest and his interest therein. If the actual acreage of peaches or interest therein shown on such form changes prior to the date insurance attaches for any crop year, the insured shall submit a report to the county office of such changes, on a form prescribed by the Corporation, prior to the date insurance attaches for that crop year.

4. *Amounts of insurance.* If an insured had a contract in force during the 1960 crop year and fails to elect an amount of insurance for peaches for the 1961 crop year, the amount of insurance per acre in effect for the 1961 crop year shall be the amount of coverage per acre in effect under such contract in 1960. An insured may change the amount of insurance per acre which was in effect for a prior crop year and make a new election by notifying the county office in writing of such change prior to the date insurance attaches for the crop year for which the change is to become effective.

5. *Annual premium.* In lieu of subsections 4(a) and 4(b) of the policy, the annual premium for peach insurance shall be considered as earned on the date insurance attaches and for any crop year must be paid on or before the January 15 immediately preceding the beginning of that crop year.

6. *Minimum premium.* In lieu of section 5 of the policy, if in any year a premium is earned for peaches and the net premium totals less than $50.00 the amount shall be increased to $50.00.

7. *Insurance period.* Insurance on any insured acreage shall attach on the January 16, at the beginning of each crop year and with respect to any portion of the crop shall cease upon harvest, but in no event shall insurance remain in effect later than September 15 of the calendar year in which the peaches are normally harvested.

8. *Notice of loss—Inspection of orchards.* (a) In lieu of subsection 8(a) of the policy, if at any time during the insurance period the peach crop on any insurance unit is damaged by an insured cause, the insured shall give written notice of the date, cause and estimated extent of damage to the Corporation at the county office within seven days.

(b) In lieu of subsection 8(b) of the policy, notice of the time of intended harvesting shall be given at least seven days before the beginning of harvest if a loss is to be claimed, and final adjustment has not been made by that time: *Provided, however,* If damage occurs within the seven-day period before the beginning of harvest, or during harvest, and a loss is to be claimed, notice shall be given immediately.

9. *Abandonment of crop.* In lieu of section 9 of the policy, there shall be no liability under the contract on any peach crop or part thereof which is abandoned by the insured without the written consent of the Corporation. There shall be no abandonment of any crop or portion thereof to the Corporation.

10. *Claims for loss.* (a) In lieu of subsection 11(a) of the policy, any claim for loss on an insurance unit shall be submitted to the Corporation on a form prescribed by the Corporation, promptly after the amount of loss can be determined, but not later than 30 days after the time of loss.

(b) In lieu of subsection 11(c) of the policy, losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the insured acreage of peaches on the insurance unit by the applicable amount of insurance per acre, (2) multiplying the result thus obtained by the amount that the average percent of damage for all of the peach crop on such unit due to an insured cause of loss is in excess of the percent shown on the county actuarial table for such purpose, and (3) multiplying the remainder by the insured interest.

(c) The average percent of damage to a peach crop on an insurance unit shall be the ratio of the production of peaches lost from an insured cause of loss to the total production of peaches which was or would have been produced if the insured cause of loss had not occurred. In determining the ratio the Corporation (1) shall estimate such total production of peaches which was or would have been produced taking into consideration the past production records on the insurance unit, age, size and condition of trees, and the production on other trees of similar characteristics unaffected by the occurrence of the insured cause of loss either situated on the insurance unit or in the nearby area or both, and (2) shall estimate the production of peaches lost, by inspection of representative samples of trees on the insurance unit and of fruit after it is set on such trees, or in the absence of any fruit on such trees available for such sampling, the production of peaches lost on the insurance unit by an insured cause shall be determined by the Corporation by estimate on the basis of the best available information. This ratio shall be determined by the Corporation as soon as possible after the amount of damage by an insured cause of loss can be determined.

11. *Life of contract, cancellation, or termination thereof.* In lieu of the proviso contained in subsection 15(a) of the policy, insurance on peaches shall terminate as if cancelled by the Corporation prior to the cancellation date if on the January 15 immediately preceding the beginning of the crop year the premium for insurance on peaches for the crop year immediately following such date is unpaid.

12. *Meaning of terms.* For purposes of insurance on peaches the terms:

(a) "Crop year," in lieu of section 21(e) of the policy, means the period beginning January 16 and extending through the following September 15.

(b) "Harvest" means any severance of peaches from the tree by picking or picking the marketable peaches from the ground.

(c) "Insurance unit," in lieu of section 21(g) of the policy, means all insurable acreage of peaches in the county (1) in which the insured has 100 percent interest on the January 15 immediately preceding the beginning of the crop year that is located on contiguous land under the same ownership, or (2) in which two or more persons have 100 percent interest on the January 15 immediately preceding the beginning of the crop year that is located on contiguous land under the same ownership, excluding any other acreage of peaches in which such persons do not have 100 percent interest on such date. Land rented for cash or for a fixed commodity payment shall be considered as owned by the lessee. Contiguous land shall include only land that is touching at any point except that land that is separated only by a public or private way shall be considered contiguous.

13. *Cancellation date.* For each year of the contract the cancellation date shall be the December 15 immediately preceding the beginning of the crop year for which the cancellation is to become effective.

§ 401.27 The rice endorsement.

The provisions of the rice endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that the rice is (a) seeded for the development of hybrid seed, (b) seeded on acreage which was seeded to rice for the two preceding crop years, or (c) seeded on acreage on which a cotton crop was treated with calcium arsenate in the previous crop year, and no insurance shall attach to any acreage not seeded to rice for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—unharvested, or (2) Second Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for rice for the 1961 crop year by March 31, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the rice is seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the rice is normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially seeded for purposes other than for harvest as grain as determined by the Corporation.

(b) In determining total production, volunteer rice growing with the seeded rice crop shall be counted as rice on a weight basis.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining the production to be counted, in any case where the quality of any production of threshed rough rice is reduced solely by insured causes occurring within the insurance period to the extent that the value per hundredweight as determined by the Corporation, is less than 80 percent of

the market price at the nearest mill center (at the time the loss is adjusted) for the same variety of rough rice grading U.S. No. 3 (determined in accordance with Official Grain Standards of the United States) with a milling yield of 48 pounds of heads (whole kernels) and 63 pounds total milling yield (heads, second heads, screenings and brewers) and such rice, if properly handled, would not have a value equal to or greater than 80 percent of such market price, the number of pounds of such rice to be counted shall be adjusted by (1) dividing the value of the damaged rice per hundredweight, as determined by the Corporation, by 80 percent of the market price per hundredweight at the nearest mill center (at the time the loss is adjusted) for the same variety of rough rice grading U.S. No. 3 with a milling yield of 48 pounds of heads (whole kernels) and 63 pounds total milling yield (heads, second heads, screenings and brewers), and (2) multiplying the result thus obtained by the number of pounds of production of such damaged rice.

6. *Meaning of terms.* For purposes of insurance on rice the terms:

(a) "Harvest" means the mechanical severance from the land of matured rice for threshing where the rice crop has not been destroyed.

(b) "Mill center" means any location in which two or more mills are engaged in milling rough rice.

(c) "Insurance unit," shall in the case of individual crop insurance, have the meaning set forth in subsection 21(g) of the policy subject, however, to the following proviso: *"Provided,* That any share in an insured rice crop paid or to be paid for irrigation water by an insured shall be considered for purposes of determining insurance units only, as a part of the interest of such insured;" and shall, in the case of combined insurance, have the meaning set forth in section 6 of the combined crop endorsement.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the March 31 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the rice crop is normally harvested.

§ 401.28 The rye endorsement.

The provisions of the rye endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, winter-kill, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that rye is seeded with flax, or other small grains, or vetch, and no insurance shall attach to any acreage not seeded to rye for harvest as grain as determined by the Corporation.

3. *Guaranteed production and the amount of insurance.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—seeded to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not seeded to a substitute crop, or (3) Third Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for rye for the 1961 crop year, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the rye is seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the rye is normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially seeded for purposes other than for harvest as grain as determined by the Corporation.

(b) In determining total production volunteer small grains and volunteer vetch growing with the seeded rye crop, and small grains seeded in the growing rye crop on acreage on which the Corporation has not given its consent to be put to another use, shall be counted as rye on a weight basis.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed rye which does not grade No. 2 or better, and in addition, does not grade No. 3 on the basis of test weight only but otherwise grades No. 2 or better (determined in accordance with Official Grain Standards of the United States), because of poor quality due to insurable causes occurring within the insurance period and would not meet these grade requirements if properly handled, shall be adjusted by (1) dividing the value per bushel of the damaged rye as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for rye grading No. 2, and (2) multiplying the result thus obtained by the number of bushels of such damaged rye.

6. *Meaning of terms.* For purposes of insurance on rye the term:

(a) "Harvest" means the mechanical severance from the land of matured rye for threshing where the rye crop has not been destroyed.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the March 15 and the termination date for indebtedness shall be the August 31 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the rye is normally harvested.

§ 401.29 The soybean endorsement.

The provisions of the soybean endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that soybeans are (a) planted for hay, (b) planted in rows too close for cultivation (except in Ohio), (c) planted for the development of hybrid seed, or (d) planted in the same row or interplanted in rows with corn, and no insurance shall attach to any acreage not planted to soybeans for harvest as beans as determined by the Corporation.

3. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—unharvested, or (2) Second Stage—harvested.

(b) If an insured with a crop insurance contract in force during the 1960 crop year which did not provide a guaranteed production on soybeans does not elect an amount of insurance per acre for the 1961 crop year by April 30, 1961, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

4. *Insurance period.* Insurance on any insured acreage shall attach at the time the soybeans are planted and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than December 10 (October 31 in North Dakota) of the calendar year in which the soybeans are normally harvested.

5. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially planted for purposes other than for harvest as beans as determined by the Corporation.

(b) Nothwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed soybeans which do not grade No. 4 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these requirements if properly handled, shall be adjusted by (1) dividing the value of the damaged soybeans per bushel, as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for soybeans grading No. 4, and (2) multiplying the result thus obtained by the number of bushels of such damaged soybeans.

6. *Meaning of terms.* For purposes of insurance on soybeans, the term:

(a) "Harvest" means the mechanical severance from the land of matured soybeans for threshing where the soybean crop has not been destroyed.

7. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date shall be the December 31 and the termination date for indebtedness shall be the April 30 immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective.

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the soybeans are normally harvested.

§ 401.30 The tobacco endorsement which provides for a guaranteed production.

The provisions of this tobacco endorsement (applicable only in those counties where a guaranteed production in

pounds is shown on the county actuarial table) for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, pole burn, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not be considered to have attached on acreage on which it is determined by the Corporation that tobacco is destroyed for the purpose of conforming with any other program administered by the Secretary of Agriculture.

3. *Responsibility of the insured to report acreage and interest.* In lieu of section 2 and subsection 21(a) of the policy, the following provisions of this section shall apply: "If the tobacco acreage or interest therein of an insured at time of planting for any crop year differs from the tobacco acreage or interest shown on the acreage report applicable under such insured's tobacco crop insurance contract in force for the previous crop year, and if in any crop year an insured has a tobacco crop insurance contract in force but did not have a contract in force the previous crop year, such an insured shall, on a form prescribed by the Corporation, submit a report (including revised reports if necessary) to the county office which shall set forth all of the acreage planted to tobacco (including a designation of any acreage of tobacco to which insurance will not attach) in the county in which he has an interest or expects to have an interest and his interest or the interest he expects to have therein at the time of planting. Such report or reports shall be submitted not later than 30 days after planting of the insured crop is generally completed in the county for such crop year. If the insured fails to submit such acreage report for the first crop year of a new crop insurance contract for tobacco within 30 days after planting of the insured crop is generally completed in the county for such crop year, the Corporation may elect to determine the insured acreage and his interest and enter the same on such acreage report form or declare the insured acreage to be zero. If the actual acreage of tobacco or interest therein shown on any such report changes for any crop year, the insured shall submit a report to the county office of such changes on a form prescribed by the Corporation, within 30 days after the planting of the insured crop is generally completed in the county for that crop year. If the report of an insured's acreage or interest applicable to a crop year is not revised by the submission by the insured, of a revised report within 30 days after the planting of an insured crop is generally completed in the county in the following crop year, such acreage report shall be treated as and considered to be the insured's report of the acreage and interest of the insured applicable to the following crop year. Any acreage report submitted by the insured shall be binding upon the insured and shall not be subject to change by the insured except as revised in accordance with this paragraph."

4. *Annual premium.* In lieu of subsection (e) of section 4 of the policy, the following shall apply: "If for any crop year the insured pays the premium for tobacco crop insurance within 30 days after the planting of tobacco is generally completed in the county for that crop year, as determined by the Corporation, the premium which would otherwise be payable for that crop shall be reduced 5 percent."

5. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production in pounds per acre and the amount of insurance in dollars per acre are progressive depending upon whether the acreage is (1) First Stage—unharvested, or (2) Second Stage—harvested.

(b) If an insured with a crop insurance contract in force during the 1960 crop year which did not provide a guaranteed production on tobacco does not elect an amount of insurance per acre for the 1961 crop year by the applicable termination date for indebtedness (shown in section 11 of this endorsement) preceding the beginning of the 1961 crop year, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified, with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract. If, in any county where a guaranteed production in pounds is provided on the county actuarial table for the first time for any current crop year subsequent to 1961, an insured with a contract of insurance in force which covered tobacco during the crop year immediately preceding such current crop year, does not elect an amount of insurance per acre for such current crop year by the termination date for indebtedness (shown in section 11 of this endorsement) preceding the beginning of such current crop year, the amount of insurance shown on the county actuarial table for such current crop year identified as applicable to such an occurrence shall be the amount of insurance per acre in effect under a contract of insurance for such current crop year.

6. *Insurance period.* Insurance on any insured acreage shall attach at the time the tobacco is planted and, with respect to any portion of the crop, shall cease upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, or removal of the tobacco from the insurance unit (except for curing, grading, packing, or immediate delivery to the tobacco warehouse), whichever occurs first, but in no event shall insurance remain in effect (a) for the following types later than the applicable date set forth following the normal harvest period:

Type of tobacco	*Date*
11	Jan. 31
12	Dec. 31
13	Nov. 30
14	Sept. 30
21, 22, 23, 37, 41, 54, and 55	Mar. 31
31, 35, 36, 51, and 52	Feb. 28

and (b) for type 32 tobacco, the August 31 of the next succeeding calendar year following the calendar year in which the crop was planted.

7. *Notice of loss or substantial damage.* (a) Where tobacco is not sold through auction warehouses, if after curing the tobacco it appears probable that a loss on any insurance unit under the contract will be sustained, notice in writing shall be given to the Corporation at the county office to allow the Corporation time to make an inspection before the crop is sold, contracted to be sold, or otherwise disposed of.

(b) In lieu of the provisions of section 8(b) of the policy if, at the completion of selling or otherwise disposing of the insured tobacco, a loss on an insurance unit under the contract is probable, notice in writing shall be given within 15 days to the Corporation at the county office but in no event shall such notice be given later than the calendar date for the end of the insurance period.

8. *Claims for loss.* (a) Notwithstanding section 11(a) of the policy, any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the amount of loss can be determined, but in no event shall such form be submitted later than (1) the last day of the next succeeding month following the calendar date shown in section 6 of this endorsement for the end of the insurance period except for types 41, 54, and 55 tobacco, and (2) the last day of the second succeeding month following the calendar date shown in section 6 of this endorsement for the end of the insurance period for types 41, 54, and 55 tobacco.

(b) In determining any loss under the contract, production shall be valued as follows: (1) the gross returns (less warehouse charges) from the tobacco sold on the warehouse floor, (2) the fair market value, as determined by the Corporation, of the tobacco sold other than on the warehouse floor, (3) the fair market value, as determined by the Corporation, of the tobacco harvested and not sold, and (4) the fair market value of any unharvested tobacco determined by the Corporation, as if such tobacco were harvested and cured. Any appraisals of production made for poor farming practices, uninsured causes of loss, or for acreage abandoned or put to another use without the consent of the Corporation shall be valued at the market price.

(c) To enable the Corporation to determine the fair market value of tobacco not sold through auction warehouses, the Corporation shall be given the opportunity to inspect such tobacco before it is sold, contracted to be sold, or otherwise disposed of by the insured and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured.

(d) In lieu of subsection 11(c) of the policy, the following shall apply: "Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the applicable guaranteed production per acre in pounds by the market price, (2) multiplying the result thus obtained by the insured acreage of the insured crop on the insurance unit which product shall be the guaranteed production in dollars for the insurance unit, (3) subtracting therefrom, the value of the total production to be counted for the insurance unit, (4) dividing the result by the guaranteed production in dollars for the insurance unit, (5) multiplying the ratio thus obtained by the product of the insured acreage of the insured crop on the insurance unit and the applicable amount of insurance per acre, and (6) multiplying the result by the insured interest: *Provided,* That if for the insurance unit the insured fails to report all of his interest or insurable acreage the amount of loss shall be determined with respect to all of his interest and insurable acreage but, in such cases or otherwise, if the premium computed on the basis of the insurable acreage and interest exceeds the premium on the reported acreage and interest or the acreage and interest when determined by the Corporation under section 3 of this endorsement, the amount of loss shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production and any appraisals made by the Corporation for unharvested, or potential production, poor farming practices, uninsured causes of loss, or for acreage abandoned or put to another use without the consent of the Corporation: *Provided,* That the value of the total production to be counted for any acreage not eligible for the second stage of guaranteed production shall be the amount by which the value of the total of any appraised and harvested production exceeds the difference between (1) the product of the guaranteed production established for such acreage in the

first stage multiplied by the market price and (2) the product of the guaranteed production established for such acreage in the second stage multiplied by the market price: *And provided further,* That the guaranteed production of any acreage of an insured crop which is abandoned or put to another use without the consent of the Corporation shall be the guaranteed production provided for such acreage in the second stage and the total production to be counted therefrom shall not be less than such guaranteed production."

9. *Life of contract, cancellation, or termination thereof.* (a) Notwithstanding section 15(b) of the policy, insurance may be provided in any crop-year to any person who cancelled his contract for that crop year and who applies for insurance to cover (1) an interest (individual or sharecroppers') not covered by the cancelled contract, or (2) both the individual and the sharecroppers' interests where only one such interest was covered under the cancelled contract.

(b) Notwithstanding section 15(a) of the policy, the contract shall not terminate because a premium due on type 32 tobacco planted in the preceding calendar year remains unpaid.

10. *Meaning of terms.* For purposes of insurance on tobacco the terms:

(a) "Guaranteed production of tobacco per acre," notwithstanding section 21(f) of the policy, means the number of pounds of tobacco per acre established by the Corporation by area or other designation or classification for the insured acreage and shown on the county actuarial table on file in the county office. If the value of the production to be counted from any insurance unit is less than the product of the guaranteed production for the insurance unit and the market price, an indemnity subject to the terms and conditions of the contract is payable.

(b) "Harvest" means cutting or priming the tobacco. For the purpose of determining the applicable stage referred to in section 5(a) of this endorsement, any acreage shall not be considered as harvested unless the production of tobacco actually harvested therefrom equals 20 percent or more of the guaranteed production.

(c) "Insurance unit," notwithstanding section 21(g) of the policy, means respectively (1) all insurable acreage in the county of an insurable type of tobacco in which one person at the time of planting has the entire interest in the crop, or (2) all such insurable acreage in the county in which two or more persons at the time of planting have the entire interest in the crop, excluding any other acreage of tobacco in the county in which such persons together do not have the entire interest in the crop.

(d) "Market price" for a crop year in the case of tobacco of (1) types 11, 12, 13, 14, 21, 22, 23, 31, 32, 35, 36, and 37 means the average auction price for the applicable type (less warehouse charges) in the belt or area as determined by the Corporation, and (2) types 41, 51, 52, 54, and 55 means the average price for the applicable type in the belt or area as determined by the Corporation: *Provided,* That where a tobacco price support program is in effect for the kind of tobacco which includes the insured type for that crop year, the market price for the purpose of this contract shall be limited to not more than 125 percent and not less than 75 percent of the average support price per pound (less warehouse charges). The market price when determined by the Corporation shall be filed in the county office with the county actuarial table.

(e) "Owner-operator" means a person who owns land and is responsible for farm management with respect to the production of tobacco on such acreage whether produced by his own or other person's labor. Land rented for cash or for a fixed commodity payment shall be considered owned by the lessee.

(f) "Planting" means transplanting the tobacco plant from the plant bed to the field.

(g) "Tenant-operator" means a person who rents land from another person for a share of the tobacco crop, or proceeds therefrom, produced on such land and is responsible for farm management with respect to the production of tobacco on such acreage whether produced by his own or other person's labor.

(h) "Sharecropper" or "share tenant" means a person other than an owner-operator or tenant-operator who works tobacco under supervision of a farm operator and is entitled to receive a share of the crop or proceeds therefrom and includes a person employed on the farm of an owner-operator or tenant-operator who receives for his labor the entire interest of such owner-operator or tenant-operator in the tobacco crop, or proceeds therefrom, produced on a specified acreage of such farm (for the purpose of the contract the owner-operator or tenant-operator of the farm shall be considered to have an interest in such acreage).

11. *Cancellation, termination for indebtedness, and discount dates.* For each year of the contract the cancellation date shall be the January 31 immediately preceding the beginning of the crop year for which the cancellation is to become effective. For each crop year of the contract the discount date shall be the following applicable date immediately following the normal harvest period, except that the discount date for type 32 tobacco shall be the July 31 of the next succeeding calendar year following the calendar year in which the crop was planted, and the termination date for indebtedness shall be the following applicable date immediately preceding the beginning of the crop year for which the termination is to become effective:

Type of tobacco	Discount date [1]	Termination date [1]
11a, 11b, and 12	Dec. 15	Apr. 30
13	Nov. 30	Mar. 31
14	Sept. 30	Mar. 31
21, 31, and 37	Feb. 28	Apr. 30
32	July 31	Apr. 30
22, 23, 35, and 36	Mar. 31	Apr. 30
41, 51, 52, 54, and 55	May 31	May 31

[1] In case 2 or more types of tobacco are insured under the contract, the earliest date for any type of tobacco insured shall apply to the entire tobacco premium for the contract.

12. *Irrigated acreage.* The following provision shall apply in lieu of subsection 22(a) of the policy in any case where no damage to the tobacco crop on insured acreage occurs due to drought or failure to apply irrigation water: "The acreage of an insured crop which shall be insured on an irrigated basis in any year shall not exceed that acreage which normally could be irrigated adequately with the facilities available, taking into consideration the amount of water available after providing the water required to irrigate the acreage of all uninsured irrigated crops on the farm."

§ 401.31 The tobacco endorsement with no provision for a guaranteed production.

The provisions of this tobacco endorsement (applicable only in those counties where a guaranteed production in pounds is *not* shown on the county actuarial table) for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, pole burn, earthquake, drought, flood, hail, wind, frost, freeze, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not be considered to have attached on acreage on which it is determined by the Corporation that tobacco is destroyed for the purpose of conforming with any other program administered by the Secretary of Agriculture.

3. *Responsibility of the insured to report acreage and interest.* In lieu of section 2 and subsection 21(a) of the policy, the following provisions of this section shall apply: If the tobacco acreage or interest therein of an insured at time of planting for any crop year differs from the tobacco acreage or interest shown on the acreage report applicable under such insured's tobacco crop insurance contract in force for the previous crop year, and if in any crop year an insured has a tobacco crop insurance contract in force but did not have a contract in force the previous crop year, such an insured shall, on a form prescribed by the Corporation, submit a report (including revised reports if necessary) to the county office which shall set forth all of the acreage planted to tobacco (including a designation of any acreage of tobacco to which insurance will not attach) in the county in which he has an interest or expects to have an interest and his interest or the interest he expects to have therein at the time of planting. Such report or reports shall be submitted not later than 30 days after planting of the insured crop is generally completed in the county for such crop year. If the insured fails to submit such acreage report for the first crop year of a new crop insurance contract for tobacco within 30 days after planting of the insured crop is generally completed in the county for such crop year, the Corporation may elect to determine the insured acreage and his interest and enter the same on such acreage report form or declare the insured acreage to be zero. If the actual acreage of tobacco or interest therein shown on any such report changes for any crop year, the insured shall submit a report to the county office of such changes on a form prescribed by the Corporation, within 30 days after the planting of the insured crop is generally completed in the county for that crop year. If the report of an insured's acreage or interest applicable to a crop year is not revised by the submission by the insured, of a revised report within 30 days after the planting of an insured crop is generally completed in the county in the following crop year, such acreage report shall be treated as and considered to be the insured's report of the acreage and interest of the insured applicable to the following crop year. Any acreage report submitted by the insured shall be binding upon the insured and shall not be subject to change by the insured except as revised in accordance with this paragraph.

4. *Annual premium.* In lieu of subsection (e) of section 4 of the policy, the following shall apply: "If for any crop year the insured pays the premium for tobacco crop insurance within 30 days after the planting of tobacco is generally completed in the county for that crop year, as determined by the Corporation, the premium which would otherwise be payable for that crop shall be reduced 5 percent."

5. *Amount of insurance per acre.* The provisions of subsection 3(b) of the policy shall not be applicable with respect to amounts of insurance per acre under this endorsement. The amount of insurance per acre is progressive depending upon whether the acreage is (a) First Stage—unharvested, or (b) Second Stage—harvested.

6. *Insurance period.* Insurance on any insured acreage shall attach at the time the tobacco is planted and, with respect to any

portion of the crop, shall cease upon weighing-in at the tobacco warehouse, transfer of interest in the tobacco after harvest, or removal of the tobacco from the insurance unit (except for curing, grading, packing, or immediate delivery to the tobacco warehouse), whichever occurs first, but in no event shall insurance remain in effect (a) for the following types later than the applicable date set forth following the normal harvest period:

Type of tobacco	*Date*
11	Jan. 31
12	Dec. 31
13	Nov. 30
14	Sept. 30
21, 22, 23, 37, 41, 54, and 55	Mar. 31
31, 35, 36, 51, and 52	Feb. 28

and (b) for type 32 tobacco, the August 31 of the next succeeding calendar year following the calendar year in which the crop was planted.

7. *Notice of loss or substantial damage.* (a) Where tobacco is not sold through auction warehouses, if after curing the tobacco it appears probable that a loss on any insurance unit under the contract will be sustained, notice in writing shall be given to the Corporation at the county office to allow the Corporation time to make an inspection before the crop is sold, contracted to be sold, or otherwise disposed of.

(b) In lieu of the provisions of section 8(b) of the policy, if at the completion of selling or otherwise disposing of the insured tobacco, a loss on an insurance unit under the contract is probable, notice in writing shall be given within 15 days to the Corporation at the county office but in no event shall such notice be given later than the calendar date for the end of the insurance period.

8. *Claims for loss.* (a) Notwithstanding section 11(a) of the policy, any claim for loss on an insurance unit shall be submitted to the Corporation, on a form prescribed by the Corporation, not later than 60 days after the amount of loss can be determined, but in no event shall such form be submitted later than (1) the last day of the next succeeding month following the calendar date shown in section 6 of this endorsement for the end of the insurance period except for types 41, 54, and 55 tobacco, and (2) the last day of the second succeeding month following the calendar date shown in section 6 of this endorsement for the end of the insurance period for types 41, 54, and 55 tobacco.

(b) In determining any loss under the contract, production shall be valued as follows: (1) the gross returns (less warehouse charges) from the tobacco sold on the warehouse floor, (2) the fair market value, as determined by the Corporation, of the tobacco sold other than on the warehouse floor, (3) the fair market value, as determined by the Corporation, of the tobacco harvested and not sold, and (4) the fair market value of any unharvested tobacco determined by the Corporation as if such tobacco were harvested and cured. Any appraisals of production made for poor farming practices, uninsured causes of loss, or for acreage abandoned or put to another use without the consent of the Corporation shall be valued at the market price: *Provided, however,* That where a tobacco price support loan program is in effect for the kind of tobacco which includes the insured type of tobacco, any such appraised production shall be valued at an amount equal to the average dollars and cents price support level per pound (less warehouse charges) for the applicable type of tobacco for the crop year involved computed for the purposes of this section as of May 1 on the basis of the applicable criteria provided under the tobacco price support program.

(c) To enable the Corporation to determine the fair market value of tobacco not sold through auction warehouses, the Corporation shall be given the opportunity to inspect such tobacco before it is sold, contracted to be sold, or otherwise disposed of by the insured and, if the best offer received by the insured for any such tobacco is considered by the Corporation to be inadequate, to obtain additional offers therefor on behalf of the insured.

(d) In lieu of subsection 11(c) of the policy, the following shall apply: "Losses shall be determined separately for each insurance unit. The amount of loss with respect to any insurance unit shall be determined by (1) multiplying the insured acreage of tobacco on the insurance unit by the applicable amount of insurance per acre, (2) subtracting therefrom the value (determined in accordance with subsection (b) of this section) of the total production to be counted for the insurance unit, and (3) multiplying the remainder by the insured interest: *Provided,* That if for the insurance unit the insured fails to report all of his interest or insurable acreage the amount of loss shall be determined with respect to all of his interest and insurable acreage but, in such cases or otherwise, if the premium computed on the basis of the insurable acreage and interest exceeds the premium on the reported acreage and interest or the acreage and interest when determined by the Corporation under section 3 of this endorsement, the amount of loss shall be reduced proportionately. The total production to be counted for an insurance unit shall include all harvested production and any appraisals made by the Corporation for unharvested, or potential production, poor farming practices, uninsured causes of loss, or for acreage abandoned or put to another use without the consent of the Corporation: *Provided,* That the value of the total production to be counted for any acreage not eligible for the second stage of the amount of insurance shall be the amount by which the value of the total of any appraised and harvested production exceeds the difference between the amount of insurance established for such acreage in the first stage and the amount of insurance established for such acreage in the second stage: *Provided, further,* The amount of insurance per acre on any acreage of an insured crop which is abandoned or put to another use without the consent of the Corporation shall be the amount of insurance per acre provided for such acreage in the second stage and the value of the total production to be counted therefrom shall not be less than such amount of insurance per acre multiplied by the number of acres in such acreage."

9. *Life of contract, cancellation, or termination thereof.* (a) Notwithstanding section 15(b) of the policy, insurance may be provided in any crop year to any person who cancelled his contract for the crop year and who applies for insurance to cover (1) an interest (individual or sharecroppers') not covered by the cancelled contract, or (2) both the individual and sharecroppers' interests where only one such interest was covered under the cancelled contract.

(b) Notwithstanding section 15(a) of the policy, the contract shall not terminate because a premium due on type 32 tobacco planted in the preceding calendar year remains unpaid.

10. *Meaning of terms.* For purposes of insurance on tobacco the terms:

(a) "Harvest" means cutting or priming the tobacco. For the purpose of determining the applicable stage referred to in section 5 of this endorsement, any acreage shall not be considered as harvested unless the production of tobacco actually harvested therefrom equals 20 percent or more of the amount of insurance in pound equivalent for such acreage in the harvested stage. The pound equivalent shall be obtained by dividing the amount of insurance per acre by the market price per pound for the applicable type of tobacco for that crop year, except that where a tobacco price support loan program is in effect for the kind of tobacco which includes the insured type of tobacco, the amount of insurance per acre for a crop year shall be divided by an amount equal to the average dollars and cents price support level per pound (less warehouse charges) for the applicable type of tobacco for that crop year, computed for the purposes of this section as of May 1 on the basis of the applicable criteria provided under the tobacco price support program.

(b) "Insurance unit," notwithstanding section 21(g) of the policy, means respectively (1) all insurable acreage in the county of an insurable type of tobacco in which one person at the time of planting has the entire interest in the crop, or (2) all such insurable acreage in the county in which two or more persons at the time of planting have the entire interest in the crop, excluding any other acreage of tobacco in the county in which such persons together do not have the entire interest in the crop.

(c) "Market price" for a crop year in the case of tobacco of (1) types 11, 12, 13, 14, 21, 22, 23, 31, 32, 35, 36, and 37 means the average auction price for the applicable type (less warehouse charges) in the belt or area as determined by the Corporation, and (2) types 41, 51, 52, 54, and 55 means the average price for the applicable type in the belt or area as determined by the Corporation. The market price when determined by the Corporation shall be filed in the county office with the county actuarial table.

(d) "Owner-operator" means a person who owns land and is responsible for farm management with respect to the production of tobacco on such acreage whether produced by his own or other person's labor. Land rented for cash or for a fixed commodity payment shall be considered owned by the lessee.

(e) "Planting" means transplanting the tobacco plant from the bed to the field.

(f) "Tenant-operator" means a person who rents land from another person for a share of the tobacco crop, or proceeds therefrom, produced on such land and is responsible for farm management with respect to the production of tobacco on such acreage whether produced by his own or other person's labor.

(g) "Sharecropper" or "share tenant" means a person other than an owner-operator or tenant-operator who works tobacco under supervision of a farm operator and is entitled to receive a share of the crop or proceeds therefrom and includes a person employed on the farm of an owner-operator or tenant-operator who receives for his labor the entire interest of such owner-operator or tenant-operator in the tobacco crop, or proceeds therefrom, produced on a specified acreage of such farm (for the purpose of the contract the owner-operator or tenant-operator of the farm shall be considered to have an interest in such acreage).

11. *Cancellation, termination for indebtedness, and discount dates.* For each year of the contract the cancellation date shall be the January 31 immediately preceding the beginning of the crop year for which the cancellation is to become effective. For each crop year of the contract the discount date shall be the following applicable date immediately following the normal harvest period, except that the discount date for type 32 tobacco shall be the July 31 of the next succeeding calendar year following the calendar year in which the crop was planted, and the termination date for indebtedness shall be the following applicable date immediately preceding the beginning of the crop year for which the termination is to become effective:

Type of tobacco	Discount date [1]	Termination date [1]
11a, 11b, and 12	Dec. 15	Apr. 30
13	Nov. 30	Mar. 31
14	Sept. 30	Mar. 31
21, 31, and 37	Feb. 28	Apr. 30
32	July 31	Apr. 30
22, 23, 35, and 36	Mar. 31	Apr. 30
41, 51, 52, 54, and 55	May 31	May 31

[1] In case 2 or more types of tobacco are insured under the contract, the earliest date for any type of tobacco insured shall apply to the entire tobacco premium for the contract.

12. *Irrigated acreage.* The following provisions shall apply in lieu of subsection 22(a) of the policy in any case where no damage to the tobacco crop on insured acreage occurs due to drought or failure to apply irrigation water: "The acreage of an insured crop which shall be insured on an irrigated basis in any year shall not exceed that acreage which normally could be irrigated adequately with the facilities available, taking into consideration the amount of water available after providing the water required to irrigate the acreage of all uninsured irrigated crops on the farm."

§ 401.32 The wheat endorsement.

The provisions of the wheat endorsement for the 1961 and succeeding crop years are as follows:

1. *Causes of loss insured against.* The insurance provided is against unavoidable loss of production due to wildlife, insect infestation, plant disease, earthquake, drought, flood, hail, wind, frost, freeze, winter-kill, lightning, fire, excessive rain, snow, hurricane, tornado, and any other unavoidable cause of loss due to adverse weather conditions.

2. *Insured crop.* Insurance shall not attach on acreage on which it is determined by the Corporation that wheat is (a) seeded with flax or other small grains, vetch, Austrian winter peas, or dry edible peas, or (b) seeded on new ground acreage in counties where the cancellation date is March 15, and no insurance shall attach to any acreage not seeded to wheat for harvest as grain as determined by the Corporation. For the first crop year of the contract covering wheat in all counties in Montana and in any county in South Dakota with a March 15 cancellation date, insurance shall not attach or be considered to have attached to any acreage seeded to winter wheat for that crop year nor to spring wheat subsequently reseeded on such acreage for that crop year unless the application for wheat crop insurance is filed prior to the August 31 immediately preceding that crop year.

3. *Annual premium.* (a) There will be a reduction in the annual wheat premium for each insurance unit of 4 percent for the first full 200 acres of insured wheat acreage on the unit and an additional 2 percent reduction for each additional full 100 acres: *Provided, however,* That the total reduction shall not exceed 20 percent.

(b) Whether or not the insured is eligible for the reduction provided in section 4(c) of the policy, the insured's annual wheat premium may be reduced in lieu thereof for any year by not to exceed 50 percent if it is determined by the Corporation that the accumulated balance (expressed in bushels) of premiums over indemnities on consecutively insured wheat crops preceding the current crop year exceeds his total guaranteed production computed on a harvested basis.

4. *Guaranteed production and the amount of insurance per acre.* (a) The guaranteed production and the amount of insurance per acre are progressive depending upon whether the acreage is (1) First Stage—seeded to a substitute crop when the Corporation has consented that the acreage be put to another use, (2) Second Stage—not harvested and not seeded to a substitute crop, or (3) Third Stage—harvested, except that in those counties where so shown on the county actuarial table the guaranteed production and amount of insurance per acre shall be progressive depending upon whether the acreage is (1) First Stage—not harvested, or (2) Second Stage—harvested.

(b) If an insured with a contract in force during the 1960 crop year does not elect an amount of insurance per acre for wheat for the 1961 crop year by the applicable date set forth below, the amount of insurance per acre shown on the county actuarial table identified as applicable to such an occurrence, shall be the amount of insurance per acre in effect under the contract of insurance during the 1961 and succeeding crop years for such insured unless for a subsequent crop year the contract of insurance is modified with respect to the amount of insurance per acre, or is cancelled, or an election or change with respect to the amount of insurance per acre is made in accordance with the terms of the contract.

California, Colorado, Kansas, Montana, Nebraska, New Mexico, Oklahoma, Texas, and Wyoming	Aug. 31, 1960
Idaho:	
Idaho County and all Idaho counties lying north thereof	Oct. 31, 1960
All Idaho counties lying south of Idaho County, except Gooding, Jerome, Minidoka, and Twin Falls Counties	Sept. 15, 1960
Gooding, Jerome, Minidoka, and Twin Falls Counties	Mar. 31, 1961
Minnesota and North Dakota	Mar. 31, 1961
Oregon and Washington	Oct. 31, 1960
South Dakota:	
Bennett, Jones, Lyman, Meade, Mellette, and Tripp Counties	Aug. 31, 1960
All other South Dakota counties	Mar. 31, 1961
All other States	Sept. 15, 1960

5. *Insurance period.* Insurance on any insured acreage shall attach at the time the wheat is seeded and shall cease upon threshing or removal from the field, whichever occurs first, but in no event shall insurance remain in effect later than October 31 of the calendar year in which the wheat is normally harvested.

6. *Claims for loss.* (a) The total production to be counted shall include any harvested production from acreage initially seeded for purposes other than for harvest as grain as determined by the Corporation.

(b) In determining total production volunteer small grains, volunteer Austrian winter peas, volunteer dry edible peas, and volunteer vetch growing with the seeded wheat crop, and small grains seeded in the growing wheat crop on acreage on which the Corporation has not given its consent to be put to another use, shall be counted as wheat on a weight basis.

(c) Notwithstanding the provisions of the last sentence of section 11(c) of the policy for determining production to be counted, the production to be counted of any threshed wheat which does not grade No. 3 or better, and in addition, does not grade No. 4 or 5 on the basis of test weight only but otherwise grades No. 3 or better (determined in accordance with Official Grain Standards of the United States) because of poor quality due to insurable causes occurring within the insurance period and would not meet these grade requirements if properly handled, shall be adjusted by (1) dividing the value per bushel of the damaged wheat as determined by the Corporation, by the market price per bushel at the local market at the time the loss is adjusted for wheat grading No. 3, and (2) multiplying the result thus obtained by the number of bushels of such damaged wheat.

7. *Meaning of terms.* For purposes of insurance on wheat the terms:

(a) "Harvest" means the mechanical severance from the land of matured wheat for threshing where the wheat crop has not been destroyed.

(b) "New ground acreage" means any acreage which has not been planted to a crop in any one of the previous three crop years, except (1) acreage in tame hay or rotation pasture during the previous crop year, (2) cropland, excluding land established to trees or shrubs, in the conservation reserve under the Soil Bank Act on which the conservation reserve contract period has fully run, and (3) (applicable only in Montana) any acreage which has been properly summer fallowed the previous crop year in accordance with good farming practices in the area shall not be considered new ground acreage.

8. *Cancellation, termination for indebtedness, and discount dates.* (a) For each year of the contract the cancellation date and termination date for indebtedness are the following applicable dates immediately preceding the beginning of the crop year for which the cancellation or the termination is to become effective: *Provided, however,* That for the purposes of determining the applicable cancellation and termination dates only, and notwithstanding section 21(e) of the policy, the crop year for spring planted wheat insured in all counties with a March 15 cancellation date shall be considered to mean that period in which the winter wheat crop in such counties is normally planted and normally harvested, and shall be designated by reference to the calendar year in which the crop is normally harvested: and *Provided further,* That in Daniels, Dawson, McCone, Phillips, Richland, Roosevelt, Sheridan, and Valley Counties, Montana, an insured may cancel his wheat crop insurance contract applicable to any such county for any crop year any time prior to the December 31 following the cancellation date for that crop year if he does not have an interest in any winter wheat crop seeded for harvest in such county in that crop year, as determined by the Corporation.

State and County	Cancellation date	Termination date for indebtedness
California, Colorado, Kansas, Montana, Nebraska, New Mexico, Oklahoma, Texas, and Wyoming	Mar. 15	Aug. 31
Idaho:		
Idaho County and all Idaho Counties lying north thereof	Mar. 15	Oct. 31
All Idaho Counties lying south of Idaho County except Gooding, Jerome, Minidoka, and Twin Falls Counties	Mar. 15	Sept. 15
Gooding, Jerome, Minidoka, and Twin Falls Counties	Dec. 31	Mar. 31
Minnesota and North Dakota	Dec. 31	Mar. 31
Oregon and Washington	Mar. 15	Oct. 31
South Dakota:		
Bennett, Jones, Lyman, Meade, Mellette, and Tripp Counties	Mar. 15	Aug. 31
All other South Dakota Counties	Dec. 31	Mar. 31
All other States	Mar. 15	Sept. 15

(b) For each crop year of the contract the discount date shall be the November 30 of the calendar year in which the wheat is normally harvested.

NOTE: The reporting and record-keeping requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Adopted by the Board of Directors on October 23, 1959.

[SEAL] F. N. McCARTNEY,
Secretary,
Federal Crop Insurance Corporation.

Approved on October 28, 1959.

MARVIN L. McLAIN,
Assistant Secretary.

[F.R. Doc. 59-9243; Filed, Oct. 30, 1959; 8:49 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Milk Order 2]

PART 902—MILK IN WASHINGTON, D.C., MARKETING AREA

Order Amending Order

§ 902.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order; and all of the said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Washington, D.C., marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than November 1, 1959.

The provisions of the said order are known to handlers. The decision of Assistant Secretary containing all amendment provisions of this order was issued October 23, 1959. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective November 1, 1959, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See Sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. The order is hereby amended as follows:

§ 902.9 [Amendment]

1. Delete § 902.9(b) and substitute the following:

(b) Any manufacturing plant which is operated by a cooperative association 70 percent or more of whose members are qualified producers whose milk is regularly received during the month at other plants which are pool plants pursuant to paragraph (a) of this section;

2. Add a new § 902.9(c) to read as follows:

(c) Any plant from which any Class I product (as defined in § 902.41(a)) is shipped to plants which are pool plants pursuant to paragraph (a)(1) of this section if such plant receives milk from dairy farmers all of whom are members of a cooperative association of which 70 percent or more of the members are qualified producers whose milk is regularly received during the month at other plants which are pool plants pursuant to paragraph (a) of this section.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 28th day of October 1959, to be effective on and after the 1st day of November 1959.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 59-9232; Filed, Oct. 30, 1959; 8:47 a.m.]

[Navel Orange Reg. 167]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 914.467 Navel Orange Regulation 167.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001–1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on October 29, 1959.

(b) *Order.* (1) The respective quantities of navel oranges grown in Arizona and designated part of California which may be handled during the period beginning at 12:01 a.m., P.s.t., Novem-

ber 1, 1959, and ending at 12:01 a.m., P.s.t., November 8, 1959, are hereby fixed as follows:

(i) District 1: 182,502 cartons;
(ii) District 2: Unlimited movement;
(iii) District 3: Unlimited movement;
(iv) District 4: Unlimited movement.

(2) All navel oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

(3) As used in this section, "handled," "District 1," "District 2," "District 3," "District 4," and "carton" have the same meaning as when used in said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: October 30, 1959.

FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-9310; Filed, Oct. 30, 1959; 11:25 a.m.]

[Valencia Orange Reg. 188, Amdt. 1]

PART 922—VALENCIA ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

Findings. (1) Pursuant to the marketing agreement and Order No. 22, as amended (7 CFR Part 922), regulating the handling of Valencia oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Valencia Orange Administrative Committee, established under the said marketing agreement and order, as amended, and upon other available information, it is hereby found that the limitation of handling of such Valencia oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of Valencia oranges grown in Arizona and designated part of California.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 922.488 (Valencia Orange Regulation 188, 24 F.R. 8620) are hereby amended to read as follows:

(ii) District 2: 646,800 cartons.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: October 27, 1959.

FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-9230; Filed, Oct. 30, 1959; 8:47 a.m.]

[Milk Order 24]

PART 924—MILK IN DETROIT, MICH., MARKETING AREA

Order Amending Order

§ 924.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of the said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Detroit, Michigan, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than November 1, 1959.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued October 2, 1959, and the decision of the Assistant Secretary containing all amendment provisions of this order issued October 21, 1959. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective November 1, 1959, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See sec. 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the Act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the Act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least two-thirds of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. The order is hereby amended as follows:

§ 924.52 [Amendment]

Delete the period at the end of § 924.52(b), substitute a colon and add the following proviso: *"Provided,* That for the months of November 1959 through January 1960 the amount to be added shall be 10 cents per hundredweight with respect to Class II milk used to produce butter, nonfat dry milk and American cheese in excess of receipts of other source milk in the pool or nonpool plant in which such products are produced."

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Issued at Washington, D.C., this 28th day of October, 1959, to be effective on and after the 1st day of November 1959.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 59-9233; Filed, Oct. 30, 1959; 8:47 a.m.]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Approval of Expenses and Fixing of Rate of Assessment for the 1959–60 Fiscal Period

On October 13, 1959, notice of proposed rule making was published in the FEDERAL REGISTER (24 F.R. 8299) regard-

ing the expenses and the fixing of the rate of assessment for the 1959–60 fiscal period under Marketing Agreement No. 84, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida. This regulatory program is effective pursuant to the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674). After consideration of all relevant matters presented, including the proposals set forth in the aforesaid notice, which were submitted by the Growers Administrative Committee (established pursuant to the amended marketing agreement and order), it is hereby found and determined that:

§ 933.213 Expenses and rate of assessment for the 1959–60 fiscal period.

(a) *Expenses.* The expenses necessary to be incurred by the Growers Administrative Committee, established pursuant to the provisions of the aforesaid amended marketing agreement and order, for the maintenance and functioning, during the fiscal period beginning August 1, 1959, and ending July 31, 1960, both dates inclusive, of the Growers Administrative Committee and the Shippers Advisory Committee, established under the aforesaid amended marketing agreement and order, will amount to $196,000.

(b) *Rate of assessment.* The rate of assessment to be paid by each handler in accordance with this part shall be seven mills ($0.007) per standard packed box of fruit shipped by such handler during the said fiscal period; and such rate of assessment is hereby approved as each handler's pro rata share of the aforementioned expenses.

(c) As used herein, the terms "standard packed box," "fiscal period," "handler," "shipped," and "fruit" shall have the same meaning as is given to each such term in said amended marketing agreement and order.

(d) The provisions hereof shall become effective 30 days after publication in the FEDERAL REGISTER.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: October 27, 1959.

FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-9231; Filed, Oct. 30, 1959; 8:47 a.m.]

[Lemon Reg. 817]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.924 Lemon Regulation 817.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based become available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on October 28, 1959.

(b) *Order.* (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., November 1, 1959, and ending at 12:01 a.m., P.s.t., November 8, 1959, are hereby fixed as follows:

(i) District 1: 23,250 cartons;
(ii) District 2: 120,900 cartons;
(iii) District 3: 60,450 cartons.

(2) As used in this section, "handled," "District 1," "District 2," "District 3," and "carton" have the same meaning as when used in the said amended marketing agreement and order.

(Secs. 1–19, 48 Stat. 31, as amended; 7 U.S.C. 601–674)

Dated: October 29, 1959.

FLOYD F. HEDLUND,
Acting Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 59-9289; Filed, Oct. 30, 1959; 9:24 a.m.]

[Milk Order 112]

PART 1012—MILK IN BLUEFIELD MARKETING AREA

Order Amending Order

§ 1012.0 Findings and determinations.

The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Bluefield marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest;

(3) The said order as hereby amended, regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is necessary in the public interest to make this order amending the order effective not later than November 1, 1959.

The provisions of the said order are known to handlers. The recommended decision of the Deputy Administrator of the Agricultural Marketing Service was issued October 8, 1959, and the decision of the Assistant Secretary containing all amendment provisions of this order, was issued October 21, 1959. The changes effected by this order will not require extensive preparation or substantial alteration in method of operation for handlers. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order effective November 1, 1959, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER.

(See section 4(c), Administrative Procedure Act, 5 U.S.C. 1001 et seq.).

(c) *Determinations.* It is hereby determined that:

(1) The refusal or failure of handlers (excluding cooperative associations specified in section 8c(9) of the act) of more than 50 percent of the milk, which is marketed within the marketing area, to sign a proposed marketing agreement, tends to prevent the effectuation of the declared policy of the Act;

(2) The issuance of this order, amending the order, is the only practical means pursuant to the declared policy of the act of advancing the interests of producers as defined in the order as hereby amended; and

(3) The issuance of the order amending the order is approved or favored by at least three-fourths of the producers who during the determined representative period were engaged in the production of milk for sale in the marketing area.

Order relative to handling. The order is hereby amended as follows:

In § 1012.51, delete paragraph (a) and substitute the following:

(a) *Class I milk price.* The Class I milk price shall be the basic formula price for the preceding month, plus $1.45 during the months of April, May and June; plus $1.70 during the months of March and July; and plus $2.10 during all other months.

(Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674)

Issued at Washington, D.C., this 28th day of October, 1959, to be effective on and after the 1st day of November, 1959.

CLARENCE L. MILLER,
Assistant Secretary.

[F.R. Doc. 59-9234; Filed, Oct. 30, 1959; 8:47 a.m.]

Title 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T.D. 54970]

PART 12—SPECIAL CLASSES OF MERCHANDISE

Importation of Illustrations or Reproductions of Stamps

The Act of September 2, 1958 (Public Law 85-921; 72 Stat. 1771; T.D. 54715), amended section 504, title 18, United States Code. The amendment, among other things, makes more liberal the conditions under which illustrations or reproductions of United States and foreign postage stamps may be imported.

In order to conform to the amendment the following changes are made in § 12.48 of the Customs Regulations:

1. Paragraph (b) is amended to read as follows:

(b) In accordance with section 504 of title 18, United States Code, the printing, publishing, or importation or the making or importation of the necessary plates for such printing or publishing for philatelic, numismatic, educational, historical, or newsworthy purposes in articles, books, journals, newspapers, or albums (but not for advertising purposes, except illustrations of stamps and paper money in philatelic or numismatic advertising of legitimate numismatists and dealers in stamps or publishers of or dealers in philatelic or numismatic articles, books, journals, newspapers, or albums) of black and white illustrations of canceled and uncanceled United States postage stamps shall be permitted.

2. Paragraph (c) is redesignated (d) and is amended to read as follows:

(d) Printed matter of the character described in section 504, title 18, United States Code,[32] containing reproductions of postage or revenue stamps, executed in accordance with any exception stated in section 504, or colored reproductions of canceled foreign postage stamps may be admitted to entry. Printed matter containing illustrations or reproductions not executed in accordance with such exceptions shall be treated as prohibited importations. If no application for exportation or assent to forfeiture and destruction is received by the collector within 30 days from the date of notification to the importer that the articles are prohibited, the articles shall be reported to the United States attorney for forfeiture.

(62 Stat. 713, as amended; 18 U.S.C. 504)

3. A new paragraph (c) is substituted to read as follows:

(c) The importation (but not for advertising purposes except philatelic advertising) of motion-picture films, microfilms, or slides, for projection upon a screen or for use in telecasting, of postage and revenue stamps and other obligations and securities of the United States and postage and revenue stamps, notes, bonds, and other obligations or securities of any foreign government, bank, or corporation shall be permitted.

4. Footnote 32 appended to § 12.48 is amended to read as follows:

[32] Notwithstanding any other provision of this chapter, the following are permitted:

(1) the printing, publishing, or importation, or the making or importation of the necessary plates for such printing or publishing, of black and white illustrations of postage and revenue stamps and other obligations and securities of the United States, and postage and revenue stamps, notes, bonds, and other obligations or securities of any foreign government, bank, or corporation for philatelic, numismatic, educational, historical or newsworthy purposes in articles, books, journals, newspapers, or albums (but not for advertising purposes, except illustrations of stamps and paper money in philatelic or numismatic advertising of legitimate numismatists and dealers in stamps or publishers of or dealers in philatelic or numismatic articles, books, journals, newspapers, or albums). Such illustrations, except those of stamps, shall be of a size less than three-fourths or more than one and one-half, in linear dimension, of each part of such obligation or security. The negatives and plates used in making the illustrations shall be destroyed after their final use for the purpose for which they were made.

(2) the making or importation, but not for advertising purposes except philatelic advertising, of motion-picture films, microfilms, or slides, for projection upon a screen or for use in telecasting, of postage and revenue stamps and other obligations and securities of the United States, and postage and revenue stamps, notes, bonds, and other obligations or securities of any foreign government, bank, or corporation. No prints or other reproductions shall be made from such films or slides, except for the purpose of paragraph (1), without the permission of the Secretary of the Treasury. (18 U.S.C. 504.)

(R.S. 161, as amended; 5 U.S.C. 22)

[SEAL] LAWTON M. KING,
Acting Commissioner of Customs.

Approved: October 23, 1959.

A. GILMORE FLUES,
Secretary of the Treasury.

[F.R. Doc. 59-9239; Filed, Oct. 30, 1959; 8:48 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter II—Civil Aeronautics Board

SUBCHAPTER B—ECONOMIC REGULATIONS

[Reg. No. ER-285]

[Amdt. 14]

PART 241—UNIFORM SYSTEM OF ACCOUNTS AND REPORTS FOR CERTIFICATED AIR CARRIERS

Subpart D—General Reporting Provisions

OCTOBER 28, 1959.

Under the currently effective regulations all certificated air carriers are required to file three (3) copies of CAB Form 41 reports with the Board. In view of the decentralization and expansion of the Board's audit operations to field offices in New York, San Francisco, and Miami, a copy of the report of each carrier is needed for the regional office in whose area the carrier is located.

Heretofore copies of Form 41 reports needed for distribution to the regional offices have been prepared by the Board's staff, but substantial savings will result if each carrier will submit one extra copy for this purpose. Accordingly, on June 23, 1959, a staff letter was circulated to all certificated air carriers requesting them to submit one extra copy of their CAB Form 41 reports beginning with the second quarter of 1959. The letter, at the same time, solicited their comments thereon and on the desirability of having the Board supply Form 41 blanks in sets with preinserted carbons in order to avoid any

additional burden which might be entailed in preparing the extra copy. Twenty-one carriers responded to this letter without a single objection to the filing of an additional copy, and each endorsed the suggestion with respect to the insertion of interleaf snap-out carbons in the reporting forms. This amendment also incorporates some other carrier suggestions relating mainly to the texture and color of paper and carbon for easy reading and handling, which appear feasible.

In view of the steps heretofore taken, and since the additional burden, if any, upon the air carriers is of a minor and insignificant nature, further notice and public procedures hereon are unnecessary and the amendment may be made effective upon less than 30 days' notice.

In consideration of the foregoing, the Board hereby amends Part 241 of the Economic Regulations (14 CFR Part 241) effective November 1, 1959, in the following respects:

1. By amending § 241.21(e) to read as follows:

(e) Each air carrier shall submit to the Office of Carrier Accounts and Statistics, Civil Aeronautics Board, Washington, D.C., four (4) copies of each schedule, except as hereinafter indicated in § 241.22 General Reporting Instructions. All schedules are set up in units of eight sheets each with snapout interleaf carbons between sheets. The first sheet of each set is of white opaque paper and the second of white translucent paper. The third, fourth, and fifth sheets are of green opaque paper and the sixth, seventh, and eighth are of buff opaque paper. The data columns of the first sheet of certain schedules are separated by perforations to permit disassembly for clipboard statistical processing. The remaining sheets are unperforated and are of a format which permits filing within binders designed for standard 8½" x 14" sheets. The four copies of each schedule filed with the Civil Aeronautics Board shall be comprised of the original white sheet and the three green sheets.

2. By amending § 241.21(g) by: a. Deleting the word "translucent" in the first sentence; and

b. Amending the second sentence to read as follows: "In no event shall ditto or similar processes be used nor shall any information be typed on the reverse side of copies submitted to the Civil Aeronautics Board."

3. By amending § 241.22(a) by deleting the word "Three" and substituting therefor the word "Four" and deleting the words "Certification and" in the second sentence.

(Sec. 204(a), 72 Stat. 743; 49 U.S.C. 1324. Interpret or apply sec. 407(a), 72 Stat. 766; 49 U.S.C. 1377)

By the Civil Aeronautics Board.

[SEAL] MABEL MCCART,
Acting Secretary.

[F.R. Doc. 59-9250; Filed, Oct. 30, 1959; 8:49 a.m.]

Chapter III—Federal Aviation Agency

SUBCHAPTER E—AIR NAVIGATION REGULATIONS

[Airspace Docket 59-WA-262]

[Amdt. 51]

PART 600—DESIGNATION OF FEDERAL AIRWAYS

[Amdt. 55]

PART 601—DESIGNATION OF THE CONTINENTAL CONTROL AREA, CONTROL AREAS, CONTROL ZONES, REPORTING POINTS, AND POSITIVE CONTROL ROUTE SEGMENTS

Revocation of Federal Airway, Associated Control Areas, Designated Reporting Points, and Modification of Control Area Extensions

Correction

In F.R. Doc. 59-8996, appearing at page 8638 of the issue of Saturday, October 24, 1959, the bracketed amendment designations in the heading should appear as those above.

[Airspace Docket No. 59-WA-128]

[Amdt. 21]

PART 602—ESTABLISHMENT OF CODED JET ROUTES AND NAVIGATIONAL AIDS IN THE CONTINENTAL CONTROL AREA

Modification of Coded Jet Route

The purpose of this amendment to § 602.530 of the regulations of the Administrator is to modify the segment of VOR/VORTAC jet route No. 30 which extends from Minneapolis, Minn., to Appleton, Ohio.

The segment of J-30-V between Minneapolis and Appleton is presently designated via the La Crosse, Wis., VOR and the Naperville, Ill., VOR. The La Crosse and Naperville VOR's are not frequency protected for navigational guidance in the jet route structure. Therefore, the Federal Aviation Agency is redesignating J-30-V via the Nodine, Minn., VOR and the Joliet, Ill., VOR, which are frequency protected for use in the jet route structure.

This action has been coordinated with the Army, the Navy, the Air Force, and interested civil aviation organizations. Accordingly, compliance with the notice, and public procedures provisions of section 4 of the Administrative Procedure Act have, in effect, been complied with. However, since it is necessary that sufficient time be allowed to permit appropriate changes to be made on aeronautical charts, this amendment will become effective more than 30 days after publication.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (24 F.R. 4530) § 602.530 (14 CFR 1958 Supp., § 602.530) is amended as follows:

In the text of § 602.530 *VOR/VORTAC jet route No. 30 (Denver, Colo., to Washington, D.C.)*, delete "La Crosse, Wis., VOR; Naperville, Ill., VOR;" and substitute therefor "Nodine, Minn., VOR; Joliet, Ill., VOR;".

This amendment shall become effective 0001 e.s.t., December 17, 1959.

(Secs. 307(a) and 313(a), 72 Stat. 749, 752; 49 U.S.C. 1348, 1354)

Issued in Washington, D.C., on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9217; Filed, Oct. 30, 1959; 8:45 a.m.]

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 29—FRUIT BUTTERS, FRUIT JELLIES, FRUIT PRESERVES, AND RELATED PRODUCTS; DEFINITIONS AND STANDARDS OF IDENTITY

Artificially Sweetened Fruit Jellies and Artificially Sweetened Fruit Preserves or Jams; Identity Standards [1]

In the matter of adopting definitions and standards of identity for artificially sweetened fruit jellies and artificially sweetened fruit preserves or jams:

A notice of proposed rule making was published in the FEDERAL REGISTER of June 20, 1958 (23 F.R. 4457), setting forth proposals of the National Preservers Association, 1346 Connecticut Avenue NW., Washington 6, D.C., to establish definitions and standards of identity for artificially sweetened fruit jellies and artificially sweetened fruit preserves or jams. The notice invited all interested persons to submit views and comments on the proposal.

Some comments were concerned with insuring that artificially sweetened fruit jellies and artificially sweetened fruit preserves or jams would bear labeling in compliance with the regulations promulgated pursuant to section 403(j) of the Federal Food, Drug, and Cosmetic Act, which prescribe label statements for foods purporting to be or represented for special dietary use. It is unnecessary to include a provision in each standard of identity calling attention to the necessity for labeling these artificially sweetened fruit products in compliance with the requirements of the regulation under section 403(j) because, as pointed out by the general regulation in § 10.1 of this chapter, nothing in a food standard may be construed as affecting the concurrent applicability of the general provisions of the act and the regulations thereunder.

Upon consideration of all views and comments submitted and other relevant information, it is concluded that to promote honesty and fair dealing in the

[1] Section 3.205 *Jams and jellies containing artificial sweeteners* will be rescinded when the identity standards in this order become fully effective.

interest of consumers definitions and standards of identity for artificially sweetened fruit jellies and for artificially sweetened fruit preserves or jams should be adopted as hereinafter set forth. Therefore, pursuant to the authority vested in the Secretary of Health, Education, and Welfare, by the Federal Food, Drug, and Cosmetic Act (secs. 401, 701, 52 Stat. 1046, 1055, as amended 70 Stat. 919, 72 Stat. 948; 21 U.S.C. 341, 371) and delegated to the Commissioner of Food and Drugs by the Secretary (22 F.R. 1045, 23 F.R. 9500): *It is ordered*, That Part 29 be amended by adding thereto the following new sections establishing definitions and standards of identity for the foods named:

§ 29.4 Artificially sweetened fruit jelly; identity; label statement of optional ingredients.

(a) The artificially sweetened fruit jellies for which definitions and standards of identity are prescribed by this section are the jellied foods made from a fruit juice ingredient as specified in paragraph (b) of this section and an artificial sweetening ingredient as specified in paragraph (c) of this section, with a jelling ingredient as specified in paragraph (d) of this section. Water may be added. The quantity of the fruit juice ingredient, calculated as set out in § 29.2(b), amounts to not less than 55 percent by weight of the finished food. The article is sealed in containers and so processed by heat, either before or after sealing, as to prevent spoilage. Such food may also contain one or more of the following optional ingredients:

(1) Spice, spice oil, spice extract.

(2) A vinegar, lemon juice, lime juice, citric acid, lactic acid, malic acid, tartaric acid, or any combination of two or more of these, in a quantity which reasonably compensates for deficiency, if any, of the natural acidity of the fruit juice ingredient.

(3) Sodium citrate, sodium acetate, potassium citrate, or any combination thereof, in an amount not exceeding 2 ounces avoirdupois per 100 pounds of the finished food.

(4) Sodium hexametaphosphate in an amount not exceeding 8 ounces avoirdupois per 100 pounds of the finished food.

(5) Purified calcium chloride, calcium sulfate, calcium citrate, monocalcium phosphate, potassium chloride, or any combination of two or more of these salts, in a quantity reasonably necessary to enable the jelling ingredient to produce a jelled finished product.

(6) Ascorbic acid, sorbic acid, sodium sorbate, potassium sorbate, sodium propionate, calcium propionate, sodium benzoate, benzoic acid, methylparaben (methyl-*p*-hydroxybenzoate), propylparaben (propyl-*p*-hydroxybenzoate), or any combination of two or more of these, in a quantity reasonably necessary as a preservative, but not to exceed 0.1 percent by weight of the finished food.

(b) The fruit juice ingredient referred to in paragraph (a) of this section is any one, or any combination of two, three, four, or five of the fruit juice ingredients complying with the requirements of § 29.2(c). Except as paragraph (d) of this section permits the use of pectin standardized with nutritive sweetener, no nutritive sweetening ingredient is added, either directly or indirectly, to the fruit juice ingredient used to make artificially sweetened fruit jelly.

(c) The artificial sweetening ingredients referred to in paragraph (a) of this section are saccharin, sodium saccharin, calcium saccharin, sodium cyclamate, potassium cyclamate, calcium cyclamate, or any combination of these.

(d) The jelling ingredients referred to in paragraph (a) of this section are pectin, carob bean gum (also called locust bean gum), gum karaya, gum tragacanth, extract of Irish moss, algin (sodium alginate), sodium carboxymethylcellulose, methylcellulose (meeting U.S.P. requirements and with methoxy content not less than 27.5 percent and not more than 31.5 percent on a dry-weight basis), or any combination of two or more of these. Pectin may be standardized with a nutritive sweetening ingredient, but such sweetening ingredient shall not amount to more than 44 percent by weight of the standardized pectin, and the quantity of such standardized pectin used shall not exceed 3 percent by weight of the finished food.

(e) The name of each artificially sweetened fruit jelly for which a definition and standard of identity is prescribed by this section consists of the words "artificially sweetened," immediately followed by the name prescribed by § 29.2 (f) and (g)(6) for the fruit jelly which corresponds in its fruit ingredient to the artificially sweetened article. The words "artificially sweetened" shall be prominently and conspicuously displayed in letters not smaller than the largest letter used in any other word in the name of the food.

(f)(1) The jelling ingredient used shall be named on the label by a statement "_____ added" or "with added _____," the blank being filled in with the common name by which the jelling ingredient used is designated in paragraph (d) of this section; for example, "pectin and methylcellulose added."

(2) When one of the optional ingredients specified in paragraph (a)(1) of this section is used, the label shall bear the statement "_____ added" or "with added _____," the blank being filled in with the words "spice," "spice oil," or "spice extract" as appropriate, but in lieu of the word "spice" in such statement the common name of the spice may be used.

(3) When the optional ingredient specified in paragraph (a)(4) of this section is used, the label shall bear the words "sodium hexametaphosphate added" or "with added sodium hexametaphosphate."

(4) When any optional ingredient listed in paragraph (a)(6) of this section is used, the label shall bear the statement "_____ added as a preservative," the blank being filled in with the common name of the preservative ingredient used as designated in paragraph (a)(6) of this section.

(g) Wherever the name of the food appears on the label of the artificially sweetened fruit jelly so conspicuously as to be easily seen under customary conditions of purchase, the words and statements specified in this section, showing the optional ingredients used, shall immediately and conspicuously precede or follow such name, without intervening written, printed, or graphic matter, except that the varietal name of the fruit source of the fruit juice ingredient used in preparing such jelly may so intervene.

§ 29.5 Artificially sweetened fruit preserves, artificially sweetened fruit jams; identity; label statement of optional ingredients.

(a) The artificially sweetened fruit preserves or artificially sweetened fruit jams for which definitions and standards of identity are prescribed by this section are the viscous or semisolid foods made from a fruit ingredient as specified in paragraph (b) of this section and an artificial sweetening ingredient as specified in paragraph (c) of this section, and with or without water and a jelling ingredient as specified in paragraph (d) of this section. The quantity of the fruit ingredient amounts to not less than 55 percent by weight of the finished food. The article is sealed in containers and so processed by heat, either before or after sealing, as to prevent spoilage. Such food may also contain one or more of the following optional ingredients:

(1) Spice, spice oil, spice extract.

(2) A vinegar, lemon juice, lime juice, citric acid, lactic acid, malic acid, tartaric acid, or any combination of two or more of these, in a quantity which reasonably compensates for deficiency, if any, of the natural acidity of the fruit ingredient.

(3) Sodium citrate, sodium acetate, potassium citrate, or any combination thereof, in an amount not exceeding 2 ounces avoirdupois per 100 pounds of the finished food.

(4) Sodium hexamataphosphate in an amount not exceeding 8 ounces avoirdupois per 100 pounds of the finished food.

(5) Purified calcium chloride, calcium sulfate, calcium citrate, monocalcium phosphate, potassium chloride, or any combination of two or more of these salts, in a quantity reasonably necessary to enable the jelling ingredient to produce a viscous or semisolid finished product.

(6) Ascorbic acid, sorbic acid, sodium sorbate, potassium sorbate, sodium propionate, calcium propionate, sodium benzoate, benzoic acid, methylparaben (methyl-*p*-hydroxybenzoate), propylparaben (propyl-*p*-hydroxybenzoate), or any combination of two or more of these, in a quantity reasonably necessary as a preservative but not to exceed 0.1 percent by weight of the finished food.

(b) The fruit ingredient referred to in paragraph (a) of this section is any one, or any combination of two, three, four or five of the fruit ingredients complying with the requirements of § 29.3 (b) and (c). Except as paragraph (d) of this section permits the use of pectin standardized with nutritive sweetener, no nutritive sweetening ingredient is added,

either directly or indirectly, to the fruit ingredient used to make artificially sweetened fruit preserves or artificially sweetened fruit jam.

(c) The artificial sweetening ingredients referred to in paragraph (a) of this section are saccharin, sodium saccharin, calcium saccharin, sodium cyclamate, potassium cyclamate, calcium cyclamate, or any combination of these.

(d) The jelling ingredients referred to in paragraph (a) of this section are pectin, carob bean gum (also called locust bean gum), gum karaya, gum tragacanth, extract of Irish moss, algin (sodium alginate), sodium carboxymethylcellulose, methylcellulose (meeting U.S.P. requirements and with methoxy content not less than 27.5 percent and not more than 31.5 percent on a dry-weight basis), or any combination of two or more of these. Pectin may be standardized with a nutritive sweetening ingredient, but such sweetening ingredient shall not amount to more than 44 percent by weight of the standardized pectin, and the quantity of such standardized pectin used shall not exceed 3 percent by weight of the finished food.

(e) The name of each artificially sweetened fruit preserve or artificially sweetened fruit jam for which a definition and standard of identity is prescribed by this section consists of the words "artificially sweetened" immediately followed by the name prescribed by § 29.3 (f) and (g) (5) for the fruit preserves or jams which correspond in fruit ingredient to the artificially sweetened article. The words "artificially sweetened" shall be prominently and conspicuously displayed in letters not smaller than the largest letter used in any other word in the name of the food.

(f) (1) The jelling ingredient used shall be named on the label by a statement "_____ added" or "with added _____," the blank being filled in with the common name by which the jelling ingredient used is designated in paragraph (d) of this section.

(2) When one of the optional ingredients specified in paragraph (a) (1) of this section is used, the label shall bear the statement, "_____ added" or "with added _____," the blank being filled in with the words "spice," "spice oil," or "spice extract" as appropriate, but in lieu of the word "spice" in such statement the common name of the spice may be used.

(3) When the optional ingredient specified in paragraph (a) (4) of this section is used, the label shall bear the words "sodium hexametaphosphate added" or "with added sodium hexametaphosphate."

(4) When any optional ingredient listed in paragraph (a) (6) of this section is used, the label shall bear the statement "_____ added as a preservative," the blank being filled in with the common name by which the preservative ingredient used is designated in paragraph (a) (6) of this section.

(g) Wherever the name of the food appears on the label of the artificially sweetened fruit preserve or artificially sweetened fruit jam so conspicuously as to be easily seen under customary conditions of purchase, the words and statements specified in this section, showing the optional ingredients used, shall immediately and conspicuously precede or follow such name without intervening written, printed, or graphic matter, except that the varietal name of the fruit used in preparing such preserve or jam may so intervene.

Any person who will be adversely affected by the foregoing order may at any time prior to the thirtieth day from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the person filing will be adversely affected by the order, shall specify with particularity the provisions of the order deemed objectionable, the grounds for the objections, and shall request a public hearing. Objections may be accompanied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

Effective date. This order shall become effective 90 days from the date of its publication in the FEDERAL REGISTER, except as to any provisions that may be stayed by the filing of objections thereto. Notice of the filing of objections, or lack thereof, will be announced by publication in the FEDERAL REGISTER.

(Secs. 401, 701, 52 Stat. 1046, as amended, 1055, as amended; 21 U.S.C. 341, 371)

Dated: October 26, 1959.

[SEAL] GEO. P. LARRICK,
Commissioner of Food and Drugs.

[F.R. Doc. 59-9227; Filed, Oct. 30, 1959; 8:46 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration

SUBCHAPTER B—FEDERAL FARM LOAN SYSTEM

PART 10—FEDERAL LAND BANKS GENERALLY

Interest Rates on Loans Made Through Associations

The interest rate on loans made through national farm loan associations by three of the Federal land banks has been increased from 5½ to 6 percent per annum, as follows: By the Federal Land Bank of Omaha on applications received beginning October 21, 1959; by the Federal Land Bank of Wichita on applications taken on and after October 23, 1959; and by the Federal Land Bank of St. Paul on applications taken on and after October 23, 1959. In order to reflect such changes, § 10.41 of Title 6 of the Code of Federal Regulations, as amended (1959 Supp.; 24 F.R. 845, 2267, 3181, 3559, 4296, 5329, 6256, 7894, 8628), is amended by substituting "6" for "5½" in the lines with "Omaha", "St. Paul", and "Wichita" therein.

(Sec. 6, 47 Stat. 14, as amended; 12 U.S.C. 665. Interprets or applies secs. 12 "Second", 17(b), 39 Stat. 370, 375, as amended; 12 U.S.C. 771 "Second", 831(b))

HAROLD T. MASON,
Acting Governor,
Farm Credit Administration.

[F.R. Doc. 59-9236; Filed, Oct. 30, 1959; 8:47 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER B—CLAIMS AND ACCOUNTS

PART 533—CLAIMS OF SURVIVORS OF DECEASED PERSONNEL

Miscellaneous Amendments

Part 533 is amended in the following respects:

1. The subject heading is changed to read "Claims of Survivors of Deceased Personnel."

2. Add center heading immediately preceding §§ 533.1–533.7 to read: "Gratuity upon Death".

3. New §§ 533.20 through 533.24 are added under center heading as follows:

SETTLEMENT OF ACCOUNTS OF DECEASED MEMBERS

Sec.
533.20 Statutory authority.
533.21 To whom payable.
533.22 Designation of beneficiary.
533.23 Furnishing claim form to proper heir.
533.24 Processing and payment of claims.

AUTHORITY: §§ 533.20 to 533.23 issued under Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply 69 Stat. 295, 296; 37 U.S.C. 361–365.

SOURCE: Sec. VI, Chap. 10, AR 37–104.

§ 533.20 Statutory authority.

The act of July 12, 1955 (69 Stat. 295) provides for the designation of a beneficiary or beneficiaries to receive all pay and allowances due deceased members of the uniformed services, the National Guard, or the Air National Guard, except with respect to deaths of members occurring prior to January 1, 1956, the effective date of this act. It further provides that the uniformed service of which the decedent was a member may pay direct to the designated beneficiary or beneficiaries any amount found due. The term "pay and allowances" as used in this section includes soldiers' deposits and interest thereon. See 37 Comp. Gen. 832.

§ 533.21 To whom payable.

(a) *Beneficiary designated under Act of July 12, 1955.* Amounts due a deceased member representing unpaid pay and allowances will be paid to the beneficiary or beneficiaries designated by the member under the act of July 12, 1955, provided such designation was made in writing and received prior to his death.

(b) *Beneficiary not designated under Act of July 12, 1955 but designated for 6 months' death gratuity.* In the absence of a designation of beneficiary under the above act, the designation of a beneficiary to receive the 6 months' death gratuity, if dated and received in the Department of the Army before January 1, 1956, will be considered as a designa-

tion of beneficiary under paragraph (a) of this section to receive the member's final pay and allowances except in the case of a missing member. With regard to missing members, paragraph (d) of this section will apply.

(c) *No beneficiary designated.* If no beneficiary has been designated, such amounts will be paid to the following persons surviving at the date of death in the following order of precedence:

(1) To the widow or widower of the member;

(2) To the child or children of such member, and decedents of deceased children, by representation, if no surviving spouse;

(3) To the parents or surviving parent of the member;

(4) To the duly appointed legal representative of the deceased member's estate; and

(5) To the person or persons determined to be entitled thereto under the law of the domicile of the deceased member.

(d) *Missing member.* In those cases where the deceased member was missing, missing in action, in the hands of a hostile force, or interned in a foreign country between the dates of July 12, 1955 (the date the act was approved), and January 1, 1956 (the date the act is effective), a prior designation of a beneficiary to receive the 6 months' death gratuity is not for consideration, and the account will be forwarded to the General Accounting Office for settlement.

§ 533.22 Designation of beneficiary.

(a) *Rights of member.* The service member has the right to designate a beneficiary or beneficiaries and to change the beneficiary or beneficiaries without the consent of those previously designated. The service member also has the right to select the proportion of any amount which may be due at time of his death to be paid to each beneficiary.

(b) *Responsibility of Commanding Officers.* Commanding Officers will insure that all personnel on active duty, including members of the Army Reserve who are assigned to units or other training groups or detachments, are advised of their right to designate a beneficiary or beneficiaries to receive any pay and allowances due in the event of their death. These personnel also will be advised that they may change or revoke such designations whenever desired. Also, the members will be notified that the designation of beneficiary to receive the 6 months' death gratuity, if dated and received in the Department of the Army before January 1, 1956, is considered as a designation of beneficiary under this section in the absence of a designation of beneficiary to receive the member's final pay and allowances in the event of his death.

§ 533.23 Furnishing claim form to proper heir.

(a) The appropriate form from those listed below will be furnished to proper heirs of deceased Army members, including Army Reserves, by the Finance Center, U.S. Army.

(1) Standard Form 1174 (Claim of designated beneficiary for unpaid pay and allowances of deceased member of the uniformed services).

(2) Standard Form 1175 (Claim for unpaid pay and allowances of deceased member of the uniformed services (No designated beneficiary)).

(b) At the time forms are furnished, claimants will be instructed to return all unnegotiated Treasury Checks drawn in favor of the decedent representing pay and allowance, which are in their possession, with the completed form.

§ 533.24 Processing and payment of claims.

(a) *By Finance Center, U.S. Army.* All claims from designated beneficiaries will be processed and paid by the Finance Center, U.S. Army, except as indicated in paragraph (b) of this section.

(b) *By General Accounting Office.* The following categories of claims will be processed by the Finance Center, U.S. Army, to the General Accounting Office, Claims Division, for final approval and return for payment:

(1) Claims from or in behalf of a minor or mentally incompetent heir.

(2) Claims from heirs in cases where the deceased member did not designate a beneficiary.

(3) Claims from an executor or administrator of the decedent's estate (which must be accompanied by letters testamentary or letters of administration).

(4) Any claim apparently for direct settlement by the Finance Center, U.S. Army, but which involves any doubtful elements.

(c) *Method of payment.* Payment of claims for unpaid pay and allowances due a deceased member will be made on the following forms:

(1) Standard Form 1176 (Public voucher for unpaid pay and allowances due a deceased member of the uniformed services).

(2) Standard Form 1176a (Public voucher for unpaid pay and allowances due a deceased member of the uniformed services—Memorandum).

R. V. LEE,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 59-9215; Filed, Oct. 30, 1959; 8:45 a.m.]

PART 536—CLAIMS AGAINST THE UNITED STATES

Claims Arising From Activities of Military or Civilian Personnel or Incident to Noncombat Activities

Sections 536.12–536.23, 536.27, and 536.29 are revised to read as follows:

§ 536.12 Statutory authority.

The statutory authority for §§ 536.12–536.23 is contained in Title 10, United States Code, Section 2733, as amended.

§ 536.13 Scope.

The regulations in §§ 536.12–536.23 are applicable in all places and prescribe the substantive bases and special procedural requirements for the settlement of claims against the United States for death, personal injury, or damage to or loss or destruction of property caused by military personnel or civilian employees of the Department of the Army or the Army acting within the scope of their employment, or otherwise incident to the noncombat activities of the Department of the Army or the Army Claims under § 536.29 or § 536.45 are not within the scope of §§ 536.12–536.23.

§ 536.14 Claims payable.

(a) *General.* Unless otherwise prescribed, a claim for personal injury, death, or damage to or loss of property, real or personal, is payable under the regulations of §§ 536.12–536.23 when:

(1) (i) Caused by the act or omission, negligent, wrongful, or otherwise involving fault,

(ii) Of military personnel or a civilian employee acting within the scope of his employment, or

(2) Incident to the noncombat activities of the Army.

(b) *Death.* Only one claim arises. The amount allowed will, to the extent found practicable, be apportioned among the beneficiaries as prescribed by the law or custom of the place where the incident resulting in death occurred.

(c) *Property.* The property for damage or loss of which claims may be settled under §§ 536.12–536.23 includes:

(1) Real property used and occupied under lease, express or implied, or otherwise;

(2) Personal property bailed to the Government under an agreement, express or implied, unless the owner has expressly assumed the risk of damage or loss; and

(3) Registered or insured mail in the possession of the Army, even thought the loss was caused by criminal act.

A claim enforceable under a lease or other contract of the United States may be settled under §§ 536.12–536.23 or under contractual procedures as deemed in the best interests of the Government. A claim for rent for the use of realty by the United States may not be settled under §§ 536.12–536.23 (see § 552.16a of this chapter), but allowance may be made for the use or occupancy of property arising out of trespass or other tort, even though claimed as rent.

(d) *Effect of negligence.* A claim predicated on negligence or wrongful act may be settled under §§ 536.12–536.23 only if the Federal Tort Claims Act has been judicially determined not to be applicable to like claims, or if the claim arose incident to noncombat activities.

(e) *Noncombat activities.* Claims may may be settled under §§ 536.12–536.23 if they arise from authorized activities which have little parallel in civilian pursuits or which historically have been considered as furnishing a proper basis for the payment of claims, such as maneuvers, special field exercises, practice firing of heavy guns or other weapons, practice bombing, operation of aircraft, use of barrage balloons, escape of animals, use of instrumentalities having latent mechanical defects, movement of combat or other vehicles designed especially for military use, and use and occupancy of real estate.

§ 536.15 Claims not payable.

A claim is not allowable under §§ 536.12–536.23 which:

(a) Results from combat activities;

(b) Results wholly or partly from the negligent or wrongful act of the claimant or his agent. The doctrine of comparative negligence is not applied;

(c) Is for personal injury or death of military personnel or civilian employee incident to his service;

(d) Falls under the Federal Employees Compensation Act of September 7, 1916 (39 Stat. 742), as amended (5 U.S.C. 751), or the Longshoremen's and Harborworkers Compensation Act (44 Stat. 1424; 33 U.S.C. 901) as made applicable to civilian employees of nonappropriated fund instrumentalities of the Armed Forces under the act of July 18, 1958 (Public Law 85–538; 72 Stat. 397);

(e) Was presented by the claimant to the authorities of a foreign country and final action taken thereon under Article VIII of the NATO Status of Forces Agreement, Article XVIII of the Japanese Administrative Agreement, or other similar treaty or agreement;

(f) Is purely contractual in character;

(g) Arises from private as distinguished from Government transactions;

(h) Is based solely on compassionate grounds;

(i) Is for patent infringement;

(j) Is for war trophies, and articles intended directly or indirectly for persons other than the claimant or members of his immediate family, such as articles acquired to be disposed of as gifts or for sale to another, voluntarily bailed to agencies of the Department of the Army or of the Army. The foregoing sentence is not applicable to claims involving registered or insured mail. No allowance will be made for any item where the evidence indicates that the acquisition, possession, or transportation thereof was in violation of Army, theater, or command directives; or

(k) Is for precious jewels and other precious articles of extraordinary value, voluntary bailed to agencies of the Department of the Army or of the Army. Allowance for expensive articles or for items purchased at unreasonably high prices will be based upon fair and reasonable prices for substitute articles of a similar type. Allowance for articles acquired by barter will not exceed the cost of the articles tendered in barter. This paragraph is not applicable to claims involving registered or insured mail; and

(l) Arises from operations of a nonappropriated fund activity, unless generated by military personnel performing assigned military duties.

(m) Also excluded from payment under §§ 536.12–536.23 is a claim which:

(1) Is based upon an act or omission of military personnel or a civilian employee, exercising due care, in the execution of a statute or regulation, whether or not such statute or regulation be valid, or in the exercise or performance of, or the failure to exercise or perform, a discretionary function or duty, whether or not the discretion be abused;

(2) Arises in respect of the assessment or collection of any tax or custom duty, or the detention of any goods or merchandise by an officer of customs or excise or any other law-enforcement officer;

(3) Is within the act of March 9, 1950 (41 Stat. 525; 46 U.S.C. 741–752), the act of March 3, 1925 (43 Stat. 1112; 46 U.S.C. 781–790), the act of June 19, 1948 (62 Stat. 496; 46 U.S.C. 740), or 10 U.S.C. 4802. All these acts relate to claims or suits in admiralty against the United States;

(4) Arises out of an act or omission of any employee of the Government in administering the provisions of the Trading With the Enemy Act (40 Stat. 491; 50 U.S.C. App. 1–31), as amended.

(5) Is for damage caused by the imposition or establishment of a quarantine by the United States;

(6) Arises out of assault, battery, false imprisonment, false arrest, malicious prosecution, abuse of process, libel, slander, misrepresentation, deceit, or interference with contract rights; and

(7) Is for damages caused by the fiscal operations of the Department of the Treasury or by the regulation of the monetary system.

§ 536.16 Claims under other laws and regulations.

The regulations in §§ 536.12–536.23 do not apply to any claim which may be settled under:

(a) Sections 536.29, 536.45, 536.26, or 536.27.

(b) Sections 577.1, 577.3, 577.4, 577.15, 577.40–577.42, 536.50–536.54 of this chapter, or other regulations providing for medical care at Government expense.

§ 536.17 Subrogation.

Subrogated claims will be processed as prescribed in § 536.6(b).

§ 536.18 When claim must be presented.

(a) A claim may be settled under §§ 536.12–536.23 only if presented in writing within 2 years after it accrues, except that if it accrues in time of war or armed conflict, or if war or armed conflict intervenes within 2 years after it accrues, and if good cause is shown, the claim may be presented within 2 years after that cause ceases to exist, but not later than 2 years after the war or armed conflict is terminated.

(b) As used in this section, a war or armed conflict is one in which any Armed Force of the United States is engaged. The dates of commencement and termination of an armed conflict shall be as established by concurrent resolution of Congress or by determination of the President.

§ 536.19 Procedure.

So far as not inconsistent with §§ 536.12–536.23, the procedure set forth in §§ 536.1–536.11b will be followed as to a claim under the regulations in §§ 536.12–536.23.

§ 536.20 Compensation for personal injury or death.

As to any claim, allowable compensation will not include reimbursement for medical or hospital services furnished at the expense of the United States nor the expense of burial otherwise paid by the United States.

§ 536.21 Claimants excluded.

A national or an ally, or a corporation controlled by a national or an ally, of a country at war or engaged in armed conflict with the United States, or of any country allied with such enemy country, is excluded as a claimant, unless the approving authority considering the claim or the local military commander, subject to review by the approving authority, shall determine that the claimant was at the time of the incident, and is, friendly to the United States. A prisoner of war or an interned enemy alien is not excluded as to a claim for damage to or loss or destruction of personal property in the custody of the Government otherwise payable under §§ 536.12–536.23.

§ 536.22 Claims involving shipment of property.

A claim for damage to or loss of personal property shipped at Government expense by a person not military personnel, civilian employee, or dependent of either, which is not within § 536.27, may be settled under §§ 536.12–536.23. When it appears that the damage or loss has occurred under circumstances in which a carrier is responsible, claimant will comply with § 536.27(c), which will apply.

§ 536.23 Settlement authority.

(a) *Approval authority.* Each of the following is delegated authority under §§ 536.12–536.23, subject to prescribed monetary limitations, to:

(1) Approve claims in the full amount claimed; or

(2) Approve claims for less than the amount claimed, if accepted by claimant in full satisfaction and final settlement:

(i) *Claims not over $5,000.* The Judge Advocate General of the Army.

(ii) *Claims not over $1,000.* (*a*) The Chief, Claims Division, Office of The Judge Advocate General, and all officers of The Judge Advocate General's Corps assigned to that division, subject to such limitations as the Chief, Claims Division, may prescribe;

(*b*) The commanding general of an Army or comparable command (including the Military District of Washington) within the United States, its Territories, possessions, and the Commonwealth of Puerto Rico, or his staff judge advocate;

(*c*) Any commanding officer authorized to exercise general courts-martial jurisdiction or his staff judge advocate;

(*d*) Any officer of The Judge Advocate General's Corps assigned to a maneuver claims service when designated by the commanding general concerned, subject to such limitations as the designating commander may prescribe;

(*e*) Any officer of The Judge Advocate General's Corps assigned to a disaster claims field office when designated by a commander listed in (*b*) or (*c*) of this subdivision. The authority of such a designee to approve claims is limited to the monetary limits of the designating commander and such other limitations as that officer may impose;

(f) The district and division engineer, Corps of Engineers; and the Chief of Engineers or the Chief, Legal Division, office of the Chief of Engineers;

(g) A chief of a command claims service when established as prescribed in § 536.26(m).

(iii) *Claims not over $500.* Any commanding officer not authorized to exercise general courts-martial jurisdiction, but having a judge advocate assigned to his staff, or his judge advocate.

(b) *Authority to disapprove claims.* The authority to disapprove claims under the regulations of §§ 536.12–536.23 subject to appeal to the Secretary of the Army, is delegated only to:

(1) The Judge Advocate General of the Army; and

(2) The Chief, Claims Division, Office of The Judge Advocate General, and all officers of The Judge Advocate General's Corps assigned to that Division, subject to such limitations as the Chief, Claims Division, may prescribe.

§ 536.27 Claims of military personnel and civilian employees for property lost or damaged incident to service.

(a) *General*—(1) *Statutory authority.* The statutory authority for this section is contained in Title 10, United States Code, Section 2732, as amended.

(2) *Scope.* This section prescribes the substantive basis and special procedural rules for the administrative settlement of claims filed against the United States by members of the Army and civilian employees of the Department of Defense, the Department of the Army, or of the Army, for damage to or loss of personal property incident to their service. Claims for losses of subrogees and similar third parties are not within the scope of this section, and are barred from consideration or payment hereunder. The maximum amount which may be allowed on a claim under this section is $6,500. Any claim within the scope of Title 10, United States Code, section 2732, which otherwise would be cognizable under §§ 536.12–536.23, 536.29, 536.45, 536.25 or 536.26, will be settled under this section. General procedural rules for the settlement of claims and applicable definitions as set forth in §§ 536.1–536.11b are controlling unless inconsistent with this section.

(3) *Claimants.* (i) A claim may be presented under this section only by:

(a) A member of the Army;

(b) A civilian employee of the Department of Defense, the Department of the Army, or of the Army, who was paid from appropriated funds at the time of the incident which resulted in the damage or loss;

(c) The authorized agent or legal representative of those listed in (a) or (b) of this subdivision; or

(d) The survivors of those listed in (a) or (b) of this subdivision, in the following order of precedence:

(1) Spouse;

(2) Child or children;

(3) Father or mother, or both; or

(4) Brothers or sisters, or both.

(ii) A claim may not be presented under this section by or for the benefit of a subrogee, assignee, conditional vendor, or other third party.

(4) *Claims cognizable.* The following are examples of the principal types of damage to or loss of property which may be considered as having been sustained incident to service, and claims arising therefrom are cognizable under this section. However, these examples are not exclusive of other situations which may give rise to claims cognizable under this section.

(i) *Losses in quarters or other authorized places.* Damage to or loss of property by fire, flood, hurricane, or other unusual occurrence, or by theft, while located at:

(a) Quarters, wherever situated, which were occupied by the claimant and were assigned to him or otherwise provided in kind by the Government;

(b) Quarters outside the United States, which were occupied by the claimant but were neither assigned to him nor otherwise provided in kind by the Government, except when the claimant is a civilian employee who was a local inhabitant; or

(c) Any warehouse, office, hospital, baggage dump, or other place authorized or apparently authorized for the reception or storage of the property.

(ii) *Transportation losses.* Damage to or loss of property incident to transportation or storage pursuant to orders, in connection with travel under orders, or in performance of military duty, including property in the custody of:

(a) A common or contract carrier or any other commercial concern under contract with the Government;

(b) An agent or agency of the Government; or

(c) The claimant, or while in a private or public conveyance in which he is traveling in performance of military duty.

(iii) *Losses due to marine or aircraft disaster.* Damage to or loss of property as a consequence of perils of the sea or air.

(iv) *Losses due to enemy action or public service.* Damage to or loss of property as a direct consequence of:

(a) Action by an enemy, or threat thereof; preventing capture or confiscation; or combat, guerrilla, brigandage, or other belligerent activity, whether or not the United States was involved; or unjust confiscation by a foreign power or its nationals;

(b) Action by a claimant in an attempt to quiet a civil disturbance or to alleviate a public disaster; or

(c) Efforts by the claimant to save human life or Government property.

(v) *Money losses.* Loss of funds which were delivered to and accepted by personnel authorized or apparently authorized to receive them for such purposes as safekeeping, deposit in soldiers' deposit accounts, transmission by personal transfer account, purchase of United States bonds or postal money order, or conversion into military payment order, Government check, or another kind of currency, and which were neither applied as directed by the owner nor returned to him.

(vi) *Motor vehicle losses.* Damage to or loss of motor vehicles occurring when:

(a) Used in the performance of military duty, provided such use was mandatory for performance of duty, and Government transportation was unavailable (military duty, as used here, does not include travel between quarters and place of duty, the parking of the vehicle incident to such travel, or any use of the vehicle for the convenience of the owners); or

(b) Shipped to, from, or between oversea areas on a space-available basis, in accordance with subdivision (ii) of this subparagraph.

(5) *Types, quantities, and ownership of property payable*—(i) *Types and quantities.* Compensation may be allowed under this section only for such types and quantities or amounts of property as shall be determined by the approving authority to have been reasonable, useful, or proper in the attendant circumstances for the claimant to have had or used incident to his service. In determining the reasonableness, utility, or propriety of types and quantities of property included in a claim cognizable under this section, the approving authority will give consideration to the claimant's living conditions, his income and social obligations, the size of his family, and his need to have more than average quantities, as well as the circumstances attending acquisition or possession of the property involved and the manner of damage or loss.

(ii) *Ownership or custody.* Compensation may be allowed even though the property was not in the actual possession of the claimant at the time of the damage or loss, or was not owned by the claimant, provided it was lawfully under his dominion and control (i.e., borrowed from others).

(6) *Types and categories of property not payable.* The following are examples of types and categories of property for which compensation will not be allowed:

(i) Property damaged or lost, in whole or in part, as a result of any negligence or wrongul act of the claimant, or any agent or employee of the claimant acting in the scope of employment.

(ii) Property damaged or lost while located at quarters within the United States, which were occupied by the claimant but were neither assigned to him nor otherwise provided in kind by the Government.

(iii) Intangible property, such as checks, promissory notes, stock certificates, bonds, bills of lading, warehouse receipts, baggage checks, insurance policies, money orders, travelers' checks, and bank books.

(iv) Government property, except that for which the claimant is responsible to a Government agency other than the Department of the Army, the Army, or the Department of Defense.

(v) Articles to be disposed of by sale or for use in a private business enterprise.

(vi) Clothing and articles being worn, except when lost or damaged due to marine or aircraft disaster, or as a result of enemy action or public service. See subparagraph (4)(iii) and (iv) of this paragraph.

(vii) Enemy property or war trophies.

(viii) Property acquired, possessed, or transported unlawfully or in violation of competent regulations or directives.

(ix) Small items of substantial value, such as expensive cameras, watches, jewelry, and furs, which are lost, damaged, or stolen during shipment by ordinary means, e.g., with household goods, or hold baggage.

(b) *Filing of claims*—(1) *Time prescribed for filing.* (i) No claim may be paid under this section unless it is presented in writing within 2 years after it accrues. For the purposes of this section, a claim accrues at the time of the incident causing the loss or damage or at such time as the loss or damage is or should have been discovered by the claimant through the exercise of due diligence.

(ii) If a claim accrues in time of war or armed conflict in which the Armed Forces of the United States are engaged, or if such a war or armed conflict intervenes within 2 years after the claim accrues, and if good cause is shown, the claim may be presented not later than 2 years after that cause ceases to exist, or 2 years after the war or armed conflict is terminated, whichever is earlier. If good cause for delay in filing is not established, the intervention of war or armed conflict, in itself, will not permit payment of a claim presented later than 2 years after accrual.

(iii) A claim under this section should be presented as soon as possible after discovery of the damage or loss. Immediate action by a claimant will facilitate the settlement of his claim, as delays cause difficulty in securing statements of essential witnesses or necessary documents. Failure of a claimant to make demand on the last carrier within 9 months may reduce the amount allowable (paragraph (c) (6) of this section).

(2) *Presentation.* A claim should, if practicable, be submitted to the commanding officer of the unit or organization to which the claimant belongs or is attached. Otherwise, the claim may be submitted to the commanding officer of the Army installation or establishment nearest to the point where investigation of the facts and circumstances can most conveniently be made. If submission under the foregoing circumstances is impracticable, the claim may be submitted to the commander of an installation or establishment of the Armed Forces for appropriate disposition under this section and §§ 536.1–536.11b. A claim presented to any agency of the Government, other than a military agency under the Department of Defense, shall not constitute a filing under this section.

(3) *Form of claim.* The claimant will normally submit his claim, in triplicate on DA Form 1089 (Claim for personal property). Where a claim against the carrier or other third party is involved, DA Form 1089 will be prepared in quadruplicate. However, any writing timely received at a United States military establishment will be accepted and considered as a claim, if it constitutes a demand for compensation from the United States, sets forth the facts and circumstances in detail, and establishes that such claim is within the scope of this section.

(4) *Evidence.* Requirements as to evidence are covered generally in §§ 536.1–536.11b. Except in cases involving small claims (§ 536.11b), the claimant will furnish, in addition to a statement of the facts and circumstances in detail, the following evidence in support of a claim for damage or loss:

(i) *In quarters or authorized places.* A statement indicating:

(*a*) Geographical location of the quarters.

(*b*) Whether assigned or provided in kind by the Government.

(*c*) Whether regularly occupied by the claimant.

(*d*) Name of authority, if any, who designated the place of storage of the property; if other than quarters.

(*e*) The location of the property in the quarters.

(*f*) Measures taken for the protection of the property.

(*g*) Number of dependents (and ages and sexes of children, if applicable).

(ii) *In transportation.* (*a*) Copy of orders authorizing the travel, transportation, or shipment, or certificate explaining the absence of orders, and stating their substance.

(*b*) Statement of facts establishing the transportation or shipment of the property.

(*c*) Copy of demand on carrier or insurer, or both, when required, and the reply, if any; or, alternatively, a statement indicating the reasons for failure to make such demand (paragraph (c) (2) and (4) of this section).

(*d*) Copy of the Government bill of lading, and inventories or other shipping documents which indicate the quantity and condition of the property shipped.

(*e*) Statement indicating action taken to locate missing property, with related correspondence.

(*f*) Statement indicating, if property was delivered to a quartermaster, transportation, or supply officer, or contract packer:

(*1*) Name, or designation, and address,

(*2*) Date of delivery,

(*3*) Condition of property,

(*4*) When and where property was packed, by whom, and method of packing and crating,

(*5*) Date of shipment and reshipment,

(*6*) Date and place of delivery to claimant,

(*7*) Date of unpacking, and

(*8*) Names of disinterested witnesses as to condition of the property when received, delivered, or as to handling or storage.

(*g*) Statement whether application was made pursuant to paragraph 1b, Section 8402, Joint Travel Regulations for the shipment of articles of gold and silver, paintings, or other articles of extraordinary value.

(*h*) Number of dependents (and ages and sexes of children, if applicable).

(iii) *In marine or aircraft disaster.* Copy of orders or other evidence to establish claimant's right to be, or have his property, on board.

(iv) *Due to enemy action or public service.* (*a*) Evidence establishing claimant's authorized presence in the area.

(*b*) Statement showing applicable cause enumerated in paragraph (a) (4) (iv) of this section.

(v) *Of money delivered to another.* (*a*) Name, grade, service number (if any), and address of the person who received the money, and other persons involved.

(*b*) Statement of circumstances indicating apparent authority of the person to receive the money.

(*c*) Receipts, or written statements explaining the failure to present them.

(*d*) Statements or other evidence indicating action taken to recover the money from individuals pecuniarily liable.

Where soldiers' deposits are lost prior to receipt by the finance and accounting officer, an investigation by a board of disinterested officers appointed by the installation commander is required. The major commander will forward an information copy of the report of board proceedings showing the major commander's decision to Chief, Claims Division, Office of The Judge Advocate General, Fort Holabird, Baltimore 19, Md.

(vi) *Of property of substantial value.* (*a*) Description of the type, quality, composition, design, make, and model number of the property.

(*b*) Name and location of establishment or facility from which purchased, or name and address of person from whom purchased or acquired.

(*c*) Sales slips or other documentary evidence to substantiate the alleged purchase price.

(c) *Recovery from third parties*—(1) *Recovery from carrier, insurer, or other third party.* Whenever compensation for property damaged or lost incident to service has been recovered or is recoverable from a carrier, insurer, or other third party, the amount otherwise allowable under this section will be reduced to the extent of the compensation so recovered or recoverable, as hereinafter provided. The rules and procedures set forth in the following portions of this section are provided for the benefit of the claimant in obtaining recovery from a carrier or insurer and thereby receiving the maximum amount of compensation for his loss or damage. Failure of the claimant to comply with these rules and follow the required procedures may reduce or preclude payment under this section.

(2) *Demand on carrier.* When it appears that damage to or loss of property has occurred under circumstances in which a commercial carrier is responsible, the claimant will make a demand in writing upon the last common carrier under the Government bill of lading or contract, known or believed to have handled the shipment. If more than one bill of lading or contract was issued, a separate demand must be made on the last common carrier under each bill of lading or contract.

(i) *Determination of necessity for demand.* Immediately after the claimant has knowledge that his property has been lost, damaged, or destroyed, he will contact the local transportation officer, who will assist the claimant in deter-

mining the necessity for making a demand on the last common carrier. A demand on carrier is not required when it conclusively appears that the damage or loss resulted from improper packing, storage, or other cause not within the control of the carrier, or when such demand is clearly impracticable. If it is determined that a demand on carrier is not required, the transportation officer will prepare a written statement or report setting forth the reasons for such determination. If it is apparent that a packer, warehouseman, or any commercial concern other than a carrier is responsible for the loss or damage, information to this effect will be included in the transportation officer's statement. The claimant will submit this statement for consideration with his claim against the Government in order to justify the omission of a demand on the carrier.

(ii) *Execution of demand.* If it is determined that a demand on carrier is required, the claimant will, as soon as possible after delivery, or the date on which delivery should reasonably have been made, but in no event later than 9 months thereafter, make demand in writing on the last common carrier, using DA Form 1819 (Demand on carrier for damage to or loss of property). If the demand on carrier is made prior to the filing of a claim against the Government, the transportation officer will furnish the required forms and assist the claimant in the preparation of the demand. If the claimant files a claim against the Government within 9 months, he may make a concurrent demand on carrier, in which event the claims officer will assist and advise the claimant concerning such demand. The claims officer or transportation officer who assists the claimant in executing the demand, will forward a copy thereof to the transportation officer initiating the shipment; if this action is taken by the claims officer, he will also transmit a copy of the demand to the transportation officer receiving the shipment.

(3) *Demand on insurer.* When the property damaged or lost was insured in whole or in part, the claimant will, within the time prescribed in the insurance policy, and prior to or concurrently with presenting his claim against the Government, make a demand in writing on the insurer for reimbursement under the terms and conditions of the policy.

(4) *Action subsequent to demand.* Subsequent to or concurrent with making a required demand on carrier, insurer, or both, the claimant may present his claim against the Government. A copy of the demand, and of any related correspondence with the carrier or insurer, will be submitted for consideration with the claim. If the carrier or insurer offers an amount in settlement which is less than the amount of the demand, the claimant will consult the transportation officer or claims officer prior to accepting the amount so offered. The claimant will notify the claims officer promptly of any action by the carrier or insurer, including settlement, partial settlement, or denial of liability.

(5) *Application of recovery.* When the amount recovered or recoverable from a carrier or insurer, or both, is greater than or equal to the total loss, no compensation will be allowed under this section. When the amount so recovered or recoverable is less than the total loss, such recovery will be applied in the following manner:

(i) *Carrier recovery.* Any amount recovered or recoverable from a carrier will be deducted from the amount otherwise allowable under this section, except that any amount recovered or recoverable from a carrier for items of property for which allowance is precluded by the provisions of paragraph (a) (5) or (6) of this section will not be so deducted.

(ii) *Insurance recovery.* Any amount recovered or recoverable from an insurer will be applied first to items of property for which allowance is precluded or reduced by the provisions of paragraphs (a) (5) or (6) and (d) (1) (iii) and (iv) of this section. Any remainder of the amount recovered or recoverable from the insurer will be deducted from the amount otherwise allowable under this section.

(6) *Failure to make required demand.* When a demand on a carrier or insurer is required and the claimant fails to make such demand seasonably, or fails to make reasonable efforts to recover from the carrier or insurer, the amount otherwise allowable under this section will be reduced by the maximum amount which would have been recoverable. However, this reduction will not be applied in cases in which the circumstances of claimant's service precluded seasonable demand or diligent prosecution of recovery from the carrier or insurer, or when such a demand was impracticable.

(7) *Transfer of rights.* The claimant will assign to the United States, to the extent of any payment on his claim accepted by him, all his right, title, and interest in any claim he may have against any carrier, insurer, or other party, arising out of the incident on which the claim against the United States is based. He will also, upon request, furnish such evidence as may be required to enable the United States to enforce the claim. After payment of his claim by the United States, the claimant will, upon receipt of any payment from a carrier or insurer, pay the proceeds to the United States to the extent of the payment received by him from the United States.

(d) *Settlement of claims*—(1) *Determination of compensation.* When it is determined that property has been lost or damaged incident to service, and was reasonable, useful, or proper in the attendant circumstances (see paragraph (a) (5) of this section), the compensation allowable will be determined as follows:

(i) *Lost or destroyed property.* The allowable compensation for lost or destroyed property will normally be, but in no event exceed, the actual value of the property at the time of loss and will be determined from a consideration of all relevant factors, including the purchase price (or value at time of acquisition), the replacement cost, and the salvage value of the property involved. When appropriate, depreciation will be applied in accordance with the type of property lost and its age and condition at the time of loss.

(ii) *Damaged property.* The allowable compensation for damaged items will normally be the cost of repairs, but not to exceed the actual value of the property at the time of damage, as determined by the factors set forth in subdivision (i) of this subparagraph. In the event any item is determined to have been damaged to such an extent that it is beyond economic repair, the compensation will be the actual value at the time of damage, less any salvage value the property may have.

(iii) *Items of extraordinary value.* The allowable compensation for an item of extraordinary value, including expensive jewelry, furs, antiques, objects of art, or any item purchased at an unreasonably high price, will be the reasonable price of a substitute article of similar type, appropriate for the claimant under the circumstances.

(iv) *Collections and hobbies.* The allowable compensation for a single category of property, including a hobby or a collection, will be limited to an established maximum amount considered reasonable, useful, or proper.

(v) *Guide to determination of compensation.* The Chief, Claims Division, Office of The Judge Advocate General, is authorized to promulgate from time to time guides for determining the allowable compensation for specific articles, the rates of depreciation to be applied to various items, and the maximum amounts allowable for certain types and quantities of property.

(2) *Replacement in kind.* Whenever a claim cognizable under this section includes property of a type which is available for gratuitous replacement in kind from Government stocks, the commanding officer of the claimant may initiate action to secure such replacement in kind. If the replacement in kind is effected by such action, any claim for the property so replaced will be considered settled for all purposes. If replacement in kind is not effected, or if only a part of the property lost or damaged is replaced in kind, the claimant will be allowed monetary compensation for those claimed items replaced at his own expense. The claim will include statements or other evidence to establish that any claimed items, appropriate for gratuitous issue, have not been and will not be replaced in kind.

(3) *Settlement authority.* (i) The Chief, Claims Division, Office of The Judge Advocate General, and all officers of The Judge Advocate General's Corps assigned to that Division, subject to such limitations as the Chief, Claims Division, may prescribe, are delegated authority to settle claims not over $6,500 under this section.

(ii) Each of the following is delegated authority under this section, subject to prescribed monetary limitations, to:

(*a*) Approve claims in the full amount claimed; or

(*b*) Approve claims for less than the amount claimed, if accepted by claimant in full satisfaction and final settlement:

(1) *Claims not over $1,000.* (i) The commanding general of an Army or comparable command (including the Military District of Washington) within the United States, its Territories, possessions, and the Commonwealth of Puerto Rico, or his staff judge advocate;

(ii) Any commanding officer authorized to exercise general courts-martial jurisdiction, or his staff judge advocate;

(iii) The district and division engineer, Corps of Engineers; and the Chief of Engineers or the Chief, Legal Division, office of the Chief of Engineers;

(iv) A chief of a command claims service when established as prescribed in § 536.26(m).

(2) *Claims not over $500.* Any commanding officer not authorized to exercise general courts-martial jurisdiction, but having a judge advocate assigned to his staff, or his judge advocate.

(iii) The authority to disapprove claims under this section is delegated only to Chief, Claims Division, Office of The Judge Advocate General, and all officers of The Judge Advocate General's Corps assigned to that Division, subject to such limitations as the Chief, Claims Division, may prescribe.

(iv) The settlement of a claim is final and conclusive for all purposes.

§ 536.29 Claims arising from negligence of military personnel or civilian employees under the Federal Tort Claims Act.

(a) *Statutory authority.* Statutory authority for this section is contained in Title 28, United States Code, Sections 2671–2680 as amended, commonly referred to as the Federal Tort Claims Act, and referred to as "the act" in this section.

(b) *Definitions.* Definitions of terms set forth in § 536.3 are applicable to this section.

(c) *Scope.* This section prescribes the substantive basis for the administrative settlement of tort claims against the United States not in excess of $2,500 based on death, personal injury, or damage to or loss of property, except those arising in foreign countries.

(d) *Claims in excess of $2,500.* (1) If a claim in excess of $2,500 is received, the original claim and one copy of each supporting document will be retained in the claim file which will be forwarded direct to the Chief, Claims Division, Office of The Judge Advocate General. The duplicate copies of the claim and supporting papers will be returned promptly to the claimant with advice that exclusive jurisdiction of such claims is vested in the appropriate United States District Court.

(2) Where a claim involves a subrogated interest, the claimants will be advised that no action may be taken on the claim until the aggregate of all interests is determined.

3) If it is determined that the aggregate amount of the several interests involved in a claim exceeds $2,500, the action prescribed in subparagraph (1) of this paragraph will be taken.

(e) *Claims that are withdrawn.* A claimant may upon 15 days written notice withdraw his claim from administrative consideration and commence action thereon. When a claimant withdraws his claim, the original claim and one copy of each supporting document will be retained in the claim file which will be forwarded direct to the Chief, Claims Division, Office of The Judge Advocate General. The duplicate copies of the claim and supporting papers will be returned promptly to the claimant.

(f) *Claims payable.* (1) Unless otherwise prescribed, claims not in excess of $2,500 for death, personal injury, or damage to or loss of property, real or personal, are payable under this section when the following circumstances are established. The injury or damage is caused:

(i) By negligent or wrongful acts or omissions.

(ii) Of military personnel or civilian employees while acting within the scope of their employment.

(iii) Under circumstances in which the United States, if a private person, would be liable to the claimant in accordance with the law of the place where the act or omission occurred.

(2) Claims for death or injury of military personnel or civilian employees not incident to their service may be payable under this section.

(3) The law of the place where the act or omission occurred pertaining to contributory or comparative negligence and to joint tort-feasors will be applied in the determination of liability. Where there is a conflict between the local law and an express provision of the act, the latter governs.

(g) *Subrogation.* Claims involving subrogation will be processed as prescribed in § 536.6(b), except where inconsistent with this section.

(h) *Claims not payable.* This section does not apply to a claim which:

(1) Is based upon an act or omission of military personnel or a civilian employee, exercising due care, in the execution of a statute or regulation, whether or not such statute or regulation be valid, or in the exercise of performance of, or the failure to exercise or perform, a discretionary function or duty, whether or not the discretion be abused;

(2) Arises out of the loss, miscarriage, or negligent transmission of letter or postal matter;

(3) Arises in respect of the assessment or collection of any tax or customs duty, or the detention of any goods or merchandise by an officer of customs or excise or any other law-enforcement officer;

(4) Is within the act of March 9, 1950 (41 Stat. 525; 46 U.S.C. 741–752), the act of March 3, 1925 (43 Stat. 1112; 46 U.S.C. 781–790), the act of June 19, 1948 (62 Stat. 496; 46 U.S.C. 740), or 10 U.S.C. 4802. All these acts relate to claims or suits in admiralty against the United States.

(5) Arises out of an act or omission of any employee of the Government in administering the provisions of the Trading with the Enemy Act (40 Stat. 491; 50 U.S.C. App. 1–31), as amended;

(6) Is for damages caused by the imposition or establishment of a quarantine by the United States;

(7) Arises out of assault, battery, false imprisonment, false arrest, malicious prosecution, abuse of process, libel, slander, misrepresentation, deceit, or interference with contract rights;

(8) Arises out of combat activities of the military forces during time of war;

(9) Is for damages caused by the fiscal operations of the Department of the Treasury or by the regulation of the monetary system;

(10) Arises in a foreign country;

(11) Arises from the activities of the Tennessee Valley Authority;

(12) Arises from the activities of the Panama Canal Company;

(13) Is for personal injury or death of military personnel or civilian employees incurred incident to service; and

(14) Arises from the operations of a nonappropriated fund activity, unless generated by military personnel performing assigned military duties.

(i) *Claims under other laws and regulations.* This section does not apply to any claim which may be settled under:

(1) Sections 536.45, 536.26 or 536.27.

(2) Sections 577.1, 577.3, 577.4, 577.15, 577.40–577.42, 536.50–536.54 of this chapter, or other regulations providing for medical care at Government expense.

(3) The act of September 7, 1916 (39 Stat. 842; 5 U.S.C. 751), as amended (Employees compensation).

(j) *Processing.* Unless inconsistent with this section, the procedures set forth in §§ 536.1–536.11b will be followed.

(k) *Statute of limitations.* A claim may be settled under this section only if presented in writing within 2 years after it accrues. Presentation of a claim for more than $2,500 within 2 years after it accrues will not extend the time within which a suit may be filed nor permit administrative consideration of the claim even though reduced to $2,500 or less more than 2 years after it accrues.

(l) *Acceptance of award.* The acceptance by the claimant of any award or settlement made pursuant to this section shall be final and conclusive on the claimant and shall constitute a complete release of any claim against the United States and against the military or civilian personnel of the Army whose act or omission gave rise to the claim by reason of the same subject matter.

(m) *Settlement agreement.* See § 536.10 of this part.

(n) *Attorneys' fees.* The approving authority may, but only on written request, made prior to the award, by the claimant or his attorney, determine and allow as part of the award, reasonable attorneys' fees. If the award is $500 or more, the fees shall not exceed 10 per centum of the award. The fees shall be paid to the attorney representing the claimant out of, but not in addition to, the amount of the award.

(o) *Settlement of claims*—(1) *Delegated authority.* The Chief, Claims Division, Office of The Judge Advocate General, and all officers of The Judge Advocate General's Corps assigned to that Division, subject to such limitations as the Chief, Claims Division, may prescribe, are delegated authority to settle claims not over $2,500 under this section.

(2) *Approval authority.* Each of the following is delegated authority under

this section subject to prescribed monetary limitations, to:

(i) Approve claims in the full amount claimed; or

(ii) Approve claims for less than the amount claimed, if accepted by the claimant in full satisfaction and final settlement:

(a) *Claims not over $1,000.* (1) The commanding general of an Army or comparable command (including the Military District of Washington) within the United States, its Territories, possessions, and the Commonwealth of Puerto Rico, or his staff judge advocate;

(2) Any commanding officer authorized to exercise general courts-martial jurisdiction, or his staff judge advocate;

(3) Any officer of The Judge Advocate General's Corps assigned to a maneuver claims service when designated by the commanding general concerned, subject to such limitations as the designating commander may prescribe;

(4) Any officer of The Judge Advocate General's Corps assigned to a disaster claims field office when designated by a commander listed in (1) or (2) of this subdivision. The authority of such a designee to approve claims is limited to the monetary limits of the designating commander and such other limitation as that officer may impose;

(5) The district and division engineer, Corps of Engineers; and the Chief of Engineers, or the Chief, Legal Division, Office of the Chief of Engineers.

(b) *Claims not over $500.* Any commanding officer not authorized to exercise general courts-martial jurisdiction, but having a judge advocate assigned to his staff, or his judge advocate.

(3) *Authority to disapprove claims.* The authority to disapprove claims under this section, subject to appeal to the Secretary of the Army, is delegated only to the Chief, Claims Division, Office of The Judge Advocate General, and to all officers assigned to that Division, subject to such limitations as the Chief, Claims Division, may prescribe.

[AR 25-25, AR 25-30, and AR 25-100, October 1, 1959] (Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012. Interpret or apply secs. 2732 and 2733, 70A Stat. 152-153, as amended, secs. 2671-2680, 62 Stat. 983-984, as amended; 10 U.S.C. 2732, 2733, 28 U.S.C. 2671-2680)

R. V. LEE,
Major General, U.S. Army,
The Adjutant General.

[F.R. Doc. 59-9216; Filed, Oct. 30, 1959; 8:45 a.m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 913]

[Docket No. AO-23-A19]

MILK IN GREATER KANSAS CITY MARKETING AREA

Notice of Hearing on Proposed Amendments to Tentative Marketing Agreement and Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of a public hearing to be held at the Bellerive Hotel, Armour and Warwick Blvds., Kansas City, Missouri, beginning at 10:00 a.m., local time, on November 5, 1959, with respect to proposed amendments to the tentative marketing agreement and to the order, regulating the handling of milk in the Greater Kansas City marketing area.

The public hearing is for the purpose of receiving evidence with respect to the economic and emergency marketing conditions which relate to the proposed amendments, hereinafter set forth, and any appropriate modification thereof, to the tentative marketing agreement and to the order.

The proposed amendments, set forth below, have not received the approval of the Secretary of Agriculture

Proposed by the Pure Milk Producers Association and Shawnee Milk Producers Association:

Proposal No. 1. In § 913.51(a) delete 45 cents and add 25 cents, and make further changes in § 913.51(a) as follows:

Delete subparagraph (1) and add the following:

(1) Divide the total receipts of producer milk in the second and third months preceding by the total gross volume of Class I milk at pool plants (excluding interhandler transfers) for the same month, multiply the result by 100 and round to the nearest whole number. The result shall be known as the current utilization percentage.

(2) Net deviation percentages shall be applied to the standard set forth below.

Delivery period for which price applies	Delivery period used in computations	Percentages	
		Minimum	Maximum
January	October-November	128	136
February	November-December	133	141
March	December-January	132	139
April	January-February	126	134
May	February-March	125	133
June	March-April	128	136
July	April-May	139	147
August	May-June	143	150
September	June-July	135	142
October	July-August	128	135
November	August-September	124	131
December	September-October	123	131

(3) For a minus net deviation percentage the Class I price shall be increased and for a plus deviation percentage the Class I price shall be decreased as follows: *Provided,* That for purposes of the following computation deviation of opposite direction plus or minus shall be considered to be zero.

(i) One-half cent for each such percent of net deviation, plus

(ii) One-half cent for each such percent of net deviation, or for each percent deviation of like direction computed for the month immediately preceding, whichever is the lesser; plus

(iii) One-half cent for each such percent net deviation, or for each percent net deviation computed for the month immediately preceding, or for the second preceding month, whichever is the least.

It is requested that § 913.51(a)(3) (ii) and (iii) be suspended on the basis of evidence heard at this hearing and that such sections remain suspended until a decision is rendered relative to the whole supply-demand provision of the order.

Proposed by the Producers Creamery Company:

Proposal No. 2. Delete all of § 913.51 (a)(1), (2) and (3) and substitute in lieu thereof the following:

(1) If the utilization percentage calculated pursuant to subparagraph (2) of this paragraph exceeds 127 percent, subtract, or if it is less than 127 percent, add an amount calculated by multiplying the difference between such percentage and by the 127 by the appropriate rate in the following schedule:

Month	Rate (cents)
April through July	2
August through March	3

(2) For each month calculate a utilization percentage by:

(i) Dividing the net pounds of Class I milk disposed of from all pool plants (except non-Grade "A" milk disposed of outside the marketing area and allocated to other source milk) plus the Class I milk disposed of in the marketing area from nonpool plants, all for the 12-month period ending with the beginning of the preceding month, into the total pounds of producer milk during such 12-month period;

(ii) Multiplying by 100;

(iii) Adding or subtracting, respectively, any amount by which such result is greater or less than a comparable 12-month utilization percentage as computed for the third month preceding; and

(iv) Rounding the resultant figure to the nearest whole percent.

Proposed by the Sunflower-Tip Top Dairies:

Proposal No. 3. We request consideration be given to amending § 913.10 paragraph (b) to provide that the pool plant qualified under paragraph (c) for August and September and qualified under paragraph (b) for October, November, and December 1959 shall be a pool plant for each of the following months of January through July 1960.

Proposed by the Dairy Division, Agricultural Marketing Service:

Proposal No. 4. Make such changes as may be necessary to make the entire marketing agreement and the order conform with any amendments thereto that may result from this hearing.

Copies of this notice of hearing and the order may be procured from the market administrator, 220 Plaza Esplanade Building, 424 Nichols Road, Kansas City 12, Missouri, or from the Hearing Clerk, Room 112, Administration Building, United States Department of Agriculture, Washington 25, D.C., or may be there inspected.

Issued at Washington, D.C., this 27th day of October 1959.

F. R. BURKE,
Acting Deputy Administrator.

[F.R. Doc. 59-9235; Filed, Oct. 30, 1959; 8:47 a.m.]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Food and Drug Administration

[21 CFR Part 120]

TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Notice of Filing of Petition for Establishment of Tolerances for Residues of Diuron

Pursuant to the provisions of the Federal Food, Drug, and Cosmetic Act. (sec. 408(d)(1), 68 Stat. 512; 21 U.S.C. 346a (d)(1), the following notice is issued:

A petition has been filed by E. I. du Pont de Nemours and Company, Wilmington, Delaware, proposing the establishment of tolerances for residues of diuron (3-(3,4-dichlorophenyl)-1,1-dimethylurea) in or on raw agricultural commodities as follows:

2 parts per million in or on corn fodder or forage (including sweet corn, field corn, and popcorn).

1 part per million in or on corn, in grain or ear form (including sweet corn, field corn, and popcorn).

The analytical method proposed in the petition for determining residues of diuron is the method described in the FEDERAL REGISTER of July 8, 1955 (20 F.R. 4871). The chromatographic separation technique employed was that described by W. E. Bleidner in Agricultural and Food Chemistry, Volume 2, pages 682-684, June 23, 1954.

Dated: October 26, 1959.

[SEAL] ROBERT S. ROE,
Director, Bureau of Biological and Physical Sciences.

[F.R. Doc. 59-9238; Filed, Oct. 30, 1959; 8:48 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Part 600]

[Airspace Docket No. 59-WA-182]

FEDERAL AIRWAYS

Proposed Modification

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to § 600.6011 of the regulations of the Administrator, as hereinafter set forth.

VOR Federal airway No. 11 presently extends from Memphis, Tenn., to Detroit, Mich. The Federal Aviation Agency has under consideration the modification of the segment of this airway between Indianapolis, Ind., and Fort Wayne, Ind. At present there is insufficient angular separation at the Fort Wayne VORTAC between Victor 11 and a west alternate to Victor 11 between Indianapolis and Fort Wayne. Proximity of Victor 11 west to the Bunker Hill Air Force Base, Kokomo, Ind., prevents realigning the west alternate. Therefore, to provide sufficient angular separation, it is proposed to realign Victor 11 from the Indianapolis VOR via the Indianapolis VOR 038° and Fort Wayne VORTAC 217° radials to the Fort Wayne VORTAC. The control areas associated with Victor 11 are so designated that they will automatically conform to the modified airway. Accordingly, no amendment relating to such control areas is necessary.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views, or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend § 600.6011 (14 CFR, 1958 supp., 600.6011, 23 F.R. 10337, 24 F.R. 701) as follows:

In the text of § 600.6011 *VOR Federal airway No. 11 (Memphis, Tenn., to Detroit, Mich.)*, delete "Fort Wayne, Ind., VORTAC" and substitute therefor, "INT of the Indianapolis VOR 038° and the Fort Wayne VORTAC 217° radials; Fort Wayne, Ind., VORTAC,".

Issued in Washington, D.C. on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9221; Filed, Oct. 30, 1959; 8:45 a.m.]

[14 CFR Parts 600, 601]

[Airspace Docket No. 59-WA-73]

FEDERAL AIRWAYS AND CONTROL AREAS

Proposed Extension

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to §§ 600.6298 and 601.6298 of the regulations of the Administrator, as hereinafter set forth.

VOR Federal airway No. 298 presently extends from Pendleton, Oreg., to Casper, Wyo. The Federal Aviation Agency has under consideration the extension of this airway and its associated control areas from Casper to Sioux Falls, S. Dak., via Smithwick, S. Dak., and Winner, S. Dak. At present there is no direct airway for east and westbound traffic between Casper and Sioux Falls. To provide a route for direct east and westbound traffic in this area, it is proposed to extend Victor 298 from Casper to Sioux Falls via the Smithwick VOR and the Winner VOR.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at

the Docket Section, Federal Aviation Agency; Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend §§ 600.6298 (24 F.R. 1284) and 601.6298 (24 F.R. 1287) to read as follows:

§ 600.6298 VOR Federal airway No. 298 (Pendleton, Oreg., to Sioux Falls, S. Dak.).

From the Pendleton, Oreg., VOR via the McCall, Idaho, VOR; Dubois, Idaho, VOR; Boysen Reservoir, Wyo., VOR; Casper, Wyo., VOR; Smithwick, S. Dak., VOR; Winner, S. Dak., VOR; to the Sioux Falls, S. Dak., VOR.

§ 601.6298 VOR Federal airway No. 298 control areas (Pendleton, Oreg., to Sioux Falls, S. Dak.).

All of VOR Federal airway No. 298.

Issued in Washington, D.C., on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9219; Filed, Oct. 30, 1959; 8:45 a.m.]

[14 CFR Part 601]

[Airspace Docket No. 59-KC-38]

CONTROL ZONES

Proposed Revocation

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 601 of the regulations of the Administrator, as hereinafter set forth.

The Federal Aviation Agency has under consideration the revocation of the Philip, S. Dak., control zone. The Philip control zone is presently designated to include the airspace within a 3-mile radius centered on the Philip Airport and within 2 miles either side of the 278° radial of the Philip VOR extending from the 3-mile radius zone to a point 12 miles west of the VOR. The Federal Aviation Agency records of air traffic operations at Philip Airport shows that there were no instrument approaches to the Philip Airport during the calendar year 1958. On the basis of these records, it appears that the retention of this control zone is unjustified as an assignment of airspace, and that the revocation thereof would be in the public interest.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Regional Administrator, Federal Aviation Agency, 4825 Troost Avenue, Kansas City 10, Mo. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Regional Administrator, or the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. An informal Docket will also be available for examination at the office of the Regional Administrator.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend Part 601 (14 CFR, 1958 Supp., Part 601) as follows:

Section 601.2433 *Philip, S. Dak., control zone* is revoked.

Issued in Washington, D.C., on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9218; Filed, Oct. 30, 1959; 8:45 a.m.]

[14 CFR Part 602]

[Airspace Docket No. 59-WA-76]

CODED JET ROUTES

Proposed Revocation

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 602 of the regulations of the Administrator, as hereinafter set forth.

L/MF jet route No. 40 presently extends from Montgomery, Ala., to Charleston, S.C. A Federal Aviation Agency IFR peak day survey during the period July 1, 1958 through June 30, 1959 showed no aircraft movements on this jet route. On the basis of the survey, it appears that the retention of this jet route is unjustified and that the revocation thereof would be in the public interest.

Interested persons may submit such written data, views, or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Utilization Division. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend Part 602 (14 CFR, 1958 Supp., Part 602) as follows:

Section 602.140 *L/MF jet route No. 40 (Montgomery, Ala., to Charleston, S.C.)*. is revoked.

Issued in Washington, D.C., on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9220; Filed, Oct. 30, 1959; 8:45 a.m.]

[14 CFR Part 602]

[Airspace Docket No. 59-WA-320]

CODED JET ROUTES

Proposed Establishment

Pursuant to the authority delegated to me by the Administrator (§ 409.13, 24 F.R. 3499), notice is hereby given that the Federal Aviation Agency is considering an amendment to Part 602 of the regulations of the Administrator, as hereinafter set forth.

The Federal Aviation Agency has under consideration establishment of VOR/VORTAC jet route No. 93 from Seattle, Wash., to Newport, Oreg., via Portland, Oreg., to accommodate recently inaugurated scheduled air carrier aircraft service between Seattle and Honolulu, T.H. Route coverage is presently provided between Seattle and Portland via VOR/VORTAC jet route No. 1. However, no jet route is available between Portland and Newport. Establishment of the jet route as proposed, would improve air traffic management and flight planning procedures by the provision of a single numbered jet route within the United States for operation between Seattle and Honolulu. If such action is taken, Jet Route No. 93-V would extend from the Seattle VOR via the intersection of the Seattle VOR 197° and the Portland VOR 353° radials to the Portland VOR and thence to the intersection of the Portland VOR 222° and the Medford, Oreg., VOR 339° radials, which overlies Newport.

Interested persons may submit such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Chief, Air-

space Utilization Division, Federal Aviation Agency, Washington 25, D.C. All communications received within thirty days after publication of this notice in the FEDERAL REGISTER will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Agency officials may be made by contacting the Chief, Airspace Utilization Division, Federal Aviation Agency, Washington 25, D.C. Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

The official Docket will be available for examination by interested persons at the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C.

This amendment is proposed under sections 307(a) and 313(a) of the Federal Aviation Act of 1958 (72 Stat. 749, 752; 49 U.S.C. 1348, 1354).

In consideration of the foregoing, it is proposed to amend Part 602 (14 CFR, 1958 Supp., Part 602) by adding the following section:

§ 602.593 VOR/VORTAC jet route No. 93 (Newport, Oreg., to Seattle, Wash.).

From the INT of the Medford, Oreg., VOR 339° and the Portland, Oreg., VOR 222° radials via the Portland VOR; INT of the Portland VOR 353° and the Seattle, Wash., VOR 197° radials; to the Seattle VOR.

Issued in Washington, D.C., on October 26, 1959.

D. D. THOMAS,
Director, Bureau of Air Traffic Management.

[F.R. Doc. 59-9222; Filed, Oct. 30, 1959; 8:46 a.m.]

NOTICES

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[P. & S. Docket No. 291]

NASHVILLE UNION STOCK YARDS, INC.

Notice of Petition for Modification of Rate Order

Pursuant to the provisions of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), an order was issued on February 24, 1959 (18 A.D. 120), authorizing the respondent, Nashville Union Stock Yards, Inc., Nashville, Tennessee, to assess the current temporary schedule of rates and charges to and including February 7, 1961, unless modified or extended before that date.

By a petition filed on October 14, 1959, as amended by a document filed on October 22, 1959, the respondent requested authority to modify the current schdule of rates and charges as indicated below.

	Rate per head	
	Present	*Proposed*
Cattle, 300 lbs. or over	$1.00	$1.20
Bulls, 600 lbs. or over	1.50	1.60
Reactors—T.B. or bangs	-----	1.60
Calves, 295 lbs. or less	.50	.50
Hogs	.35	.35
Sheep, lambs, goats, or kids	.30	.30
Horses or mules	.75	.75

On all livestock purchased on this yard that are subsequently resold to a buyer on the yards or removed from the holding pens to a selling pen for the purpose of resale, the following charges will be assessed:

Cattle, 300 lbs. or over	$1.00	$1.20
Bulls, 600 lbs. or over	1.50	1.60
Reactors—T.B. or bangs	-----	1.60
Calves, 295 lbs. or less	.50	.50
Hogs	.35	.35
Sheep, lambs, goats, or kids	.30	.30
Horses or mules	-----	.75

For each other certified re-weighing weights given, a charge will be made, as follows:

Cattle, 300 lbs. or over	$0.06	$0.15
Bulls, 600 lbs. or over	.06	.20
Calves, 295 lbs. or less	.03	.10
Hogs	.03	.05
Sheep, lambs, goats, or kids	.03	.05

The modifications, if authorized, will produce additional revenue for the respondent and increase the cost of marketing livestock. Accordingly, it appears that this public notice of the filing of the petition and its contents should be given in order that all interested persons may have an opportunity to indicate a desire to be heard in the matter.

All interested persons who desire to be heard in the matter shall notify the Hearing Clerk, United States Department of Agriculture, Washington 25, D.C., within 15 days after the publication of this notice.

Done at Washington, D.C., this 27th day of October 1959.

LEE D. SINCLAIR,
Acting Director, Livestock Division, Agricultural Marketing Service.

[F.R. Doc. 59-9242; Filed, Oct. 30, 1959; 8:48 a.m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-19732-19779]

AMERADA PETROLEUM CORP. ET AL.

Order for Hearing and Suspending Proposed Changes in Rates [1]

OCTOBER 23, 1959.

In the matters of Amerada Petroleum Corporation, G-19732; Morris Anisman, G-19733; Continental Oil Company (Operator), et al., G-19734; Crescent Oil and Gas Corporation (Operator), et al., G-19735; Forest Oil Corporation, G-19736; Forest Oil Corporation (Operator), et al., G-19737; Bert Fields, et al., G-19738; General Crude Oil Company, G-19739; George W. Graham, Inc. (Operator), et al., G-19740; Jack W. Grigsby, G-19741; Gulf Oil Corporation, G-19742; Gulf Oil Corporation (Operator), et al., G-19743; Hamilton Dome Oil Company, Ltd. (Operator), et al., G-19744; Harrell Drilling Company, G-19745; Hidalgo Gas Production Corporation, G-19746; Humble Oil & Refining Company, G-19747; Lamar Hunt, G-19748; Lamar Hunt Trust Estate, G-19749; William Herbert Hunt Trust Estate, G-19750; Nelson Bunker Hunt Trust Estate, G-19751; Hassie Hunt Trust, G-19752; N. B. Hunt, G-19753; H. L. Hunt, G-19754; Hunt Oil Company, G-19755; Hunt Oil Company (Operator), et al., G-19756; Mayfair Minerals, Inc., G-19757; J. Ray McDermott & Company, Inc. (Operator), G-19758; Midwest Oil Corporation, G-19759; Midwest Oil Corporation (Operator), et al., G-19760; Murphy Corporation, G-19761; Murphy Corporation, et al., G-19762; The Ohio Oil Company, G-19763; B. B. Orr, G-19764; Pan American Petroleum Corporation, G-19765; Pan American Petroleum Corporation (Operator), et al., G-19766; Placid Oil Company (Operator), et al., G-19767; Plymouth Oil Company, G-19768; Salt Dome Production Company, G-19769; Shell Oil Company, G-19770; Shell Oil Company (Operator), G-19771; Sohio Petroleum Company, G-19772; Standard Oil Company of Texas, G-19773; Sun Oil Company, G-19774; Sun Oil Company (Operator), et al., G-19775; Sunray Mid-Continent Oil Company, G-19776; Texaco Inc., G-19777; Texaco Inc. (Operator), et al., G-19778; Texaco Seaboard, Inc., G-19779.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes are designated as follows:

[1] This order does not provide for the consolidation for hearing or disposition of the separately docketed matters covered herein, nor should it be so construed.

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Notice of change dated—	Date tendered	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
G-19732	Amerada Petroleum Corp.	81	6	Texas Eastern (Carthage Field, Panola County, Tex.).	9-16-59	9-28-59	[2] 14.6	14.8	
G-19733	Morris Anisman	1	7	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-26-59	9-28-59	[3] 15.8007	16.0058	
G-19734	Continental Oil Co. (Operator), et al.	170	2	Texas Eastern (Cherokee Lake Field, Rusk County, Tex.).	9-25-59	9-30-59	[2] 14.6	14.8	
G-19735	Crescent Oil and Gas Corp. (Operator), et al.	1	9	Texas Eastern (Waskom Field, Panola County, Tex.).	9-28-59	9-30-59	[2] 14.6	14.8	[4] G-16962
G-19736	Forest Oil Corp.	12	2	Texas Eastern (Encino Pasture Field, San Patricio County, Tex.).	9-28-59	9-30-59	[2] 14.2	14.8	
G-19737	Forest Oil Corp. (Operator), et al.	11	2	Texas Eastern (LaJara Field, Willacy County, Tex.).	9-28-59	9-30-59	[2] 14.2	14.8	
G-19738	Bert Fields, et al.	9	6	Texas Eastern (Waskom Field, Harrison and Panola Counties, Tex.).	9-28-59	9-30-59	[2] 14.6	14.8	[4] G-16666
		8	6	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-28-59	9-30-59	[3] 15.8007	16.0058	[4] G-16666
G-19739	General Crude Oil Co.	2	9	Texas Eastern (Silsbee Field, Hardin County, Tex.).	9-29-59	10- 2-59	[2] 14.6	14.8	[4] G-16675
G-19740	George W. Graham, Inc. (Operator), et al.	1	8	Texas Eastern (East Bishop Field, Nueces County, Tex.).	10- 1-59	10- 1-59	[2] 14.6	14.8	G-16661
G-19741	Jack W. Grigsby	4	5	Texas Eastern (Bethany Loganstreet Field, De Soto Parish, La.).	9-23-59	10- 1-59	[3] 15.8007	16.0058	[4] G-16665
G-19742	Gulf Oil Corp.	83	12	Hassie Hunt Trust (N. Lisbon Field, Claiborne Parish, La.).	9-29-59	9-30-59	[3] 16.0507	16.2558	[4] G-16660
		27	13	Texas Eastern (Lemonville and West Gist Fields, Newton and Jasper Counties, Tex.).	9-29-59	9-30-59	[2] 14.6	14.8	[4] G-16658
		18	11	H. L. Hunt (Whelan Field, Harrison County, Tex.).	9-29-59	9-30-59	[2] 11.4016	11.6052	G-16657
G-19742	Gulf Oil Corp.	17	9	H. L. Hunt (North Lansing Field, Harrison County, Tex.).	9-29-59	9-30-59	[5] 13.4376	13.6412	[6] G-16657
G-19743	Gulf Oil Corp. (Operator), et al.	132	5	Texas Eastern (North Lansing Field, Harrison County, Tex.).	9-29-59	9-30-59	[5] 14.6	14.8	G-16659
		67	4	Texas Eastern (Buna West Field, Jasper County, Tex.).	9-29-59	9-30-59	[5] 14.6	14.8	[6] G-16659
G-19744	Hamilton Dome Oil Co., Ltd., (Operator), et al.	1	12	Texas Eastern (Rodessa Field, Marion County, Tex.).	9-22-59	9-25-59	[5] 14.6	14.8	[6] G-16664
G-19745	Harrell Drilling Co.	4	3	Texas Eastern (Hidalgo Field, Hidalgo County, Tex.).	Undated	9-29-59	[5] 14.6	14.8	G-16964
G-19746	Hidalgo Gas Production Co.	1	3	Texas Eastern (Mercedes Field, Hidalgo County, Tex.).	9-24-59	9-25-59	[5] 14.6	14.8	G-16674
		2	3	Texas Eastern (Agua Dulce Field, Nueces County, Tex.).	9-24-59	9-25-59	[5] 14.6	14.8	G-16674
G-19747	Humble Oil & Refining Co.	15	16	Texas Eastern (Silsbee Field, Hardin County, Tex.).	9-16-59	9-25-59	[5] 14.6	14.8	[6] G-16806
G-19748	Lamar Hunt	6	10	H. L. Hunt (Lucky Field, Bienville Parish, La.).	Undated	9-28-59	[7] 16.0507	16.2558	[6] G-16615
G-19749	Lamar Hunt Trust Estate	4	3	Unit Gas (Palo Blanco Field, Brooks County, Tex.).	9-25-59	9-28-59	[5] 10.1	10.3	G-16683
		5	10	H. L. Hunt (Lucky Field, Bienville Parish, La.).	Undated	9-28-59	[7] 16.0507	16.2558	[6] G-16618
		6	10	----do----	----do----	9-28-59	[7] 16.0507	16.2558	[6] G-16618
G-19750	William Herbert Hunt Trust Estate.	1	8	Texas Eastern (N. Cottonwood Field, Liberty County, Tex.).	9-24-59	9-25-59	[5] 14.6	14.8	[6] G-16617
		7	5	Texas Eastern (Puerto Bay Field, Aransas County, Tex.).	9-24-59	9-25-59	[5] 14.6	14.8	[6] G-16643
G-19750	William Herbert Hunt Trust Estate.	9	10	H. L. Hunt (Lucky Field, Bienville Parish, La.).	Undated	9-28-59	[8] 16.0507	16.2558	[9] G-16617
		8	10	----do----	----do----	9-28-59	[8] 16.0507	16.2558	[9] G-16617
G-19751	Nelson Bunker Hunt Trust Estate.	5	10	----do----	----do----	9-28-59	[8] 16.0507	16.2558	[9] G-16616
		6	10	----do----	----do----	9-28-59	[8] 16.0507	16.2558	[9] G-16616
G-19752	Hassie Hunt Trust	4	13	Texas Eastern (Lisbon Field, Claiborne Parish, La.).	9-24-59	9-25-59	[3] 15.8007	16.0058	G-15581
G-19753	N. B. Hunt	10	3	Unit Gas (Palo Blanco Field, Brooks County, Tex.).	9-24-59	9-25-59	[10] 10.1	10.3	G-16693
G-19754	H. L. Hunt	4	13	Texas Eastern (Whelan and North Lasing Fields, Harrison County, Tex.).	9-24-59	9-25-59	[10] 14.6	14.8	[9] G-16642
		7	12	Texas Eastern (Lucky Field, Bienville Parish, La.).	9-24-59	9-25-59	[3] 15.8007	16.0058	[9] G-16642
G-19755	Hunt Oil Co.	35	3	Texas Eastern (S. Nome Field, Jefferson County, Tex.).	9-24-59	9-25-59	[10] 14.6	14.8	G-16639
		32	5	Texas Eastern (Waskom Field, Harrison County, Tex.).	9-24-59	9-25-59	[10] 14.6	14.8	[9] G-16639
G-19756	Hunt Oil Co. (Operator), et al.	28	8	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-24-59	9-25-59	[8] 15.8007	16.0058	[9] G-16644
G-19757	Mayfair Minerals, Inc.	2	3	Texas Eastern (Hidalgo Field, Hidalgo County, Tex.).	Undated	9-29-59	[10] 14.6	14.8	G-16809
G-19758	J. Ray McDermott & Co., Inc. (Operator).	11	4	Texas Eastern (May Field, Kleburg County, Tex.).	9-25-59	9-30-59	[10] 14.2	14.8	----------
G-19759	Midwest Oil Corp.	13	7	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-25-59	9-28-59	[11] 15.8007	16.0058	[12] G-16646
		9	11	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-25-59	9-28-59	[11] 15.8007	16.0058	[12] G-16609
G-19760	Midwest Oil Corp. (Operator), et al.	11	9	Texas Eastern (Bethany-Longstreet Field, De Soto Parish, La.).	9-25-59	9-28-59	[11] 15.8007	16.0058	[12] G-16673
G-19761	Murphy Corp.	21	8	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16614
		18	7	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16614
G-19762	Murphy Corp., et al.	1	14	Texas Eastern (Delhi Field, Richland, Franklin and Madison Parish, La.).	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16613
		2	15	Texas Eastern (Delhi Field, Richland Parish, La.).	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16613
		16	10	Texas Eastern (Bryceland Field, Bienville Parish, La.).	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16613
G-19763	The Ohio Oil Co.	29	8	Texas Eastern (Logansport Field, De Soto Parish, La.).	9-29-59	9-30-59	[11] 15.8007	16.0058	[12] G-16672
		28	7	----do----	9-29-59	9-30-59	[11] 15.8007	16.0058	[12] G-16672
G-19764	B. B. Orr	1	9	Texas Eastern (Willow Springs Field, Gregg County, Tex.	9-24-59	9-28-59	[13] 14.6	14.8	[12] G-16656
G-19765	Pan American Petroleum Corp.	149	13	Hassie Hunt Trust (Northeast Lisbon Field, Claiborne Parish, La.).	9-22-59	9-28-59	[11] 15.8007	16.0058	[12] G-16629
		39	14	----do----	9-23-59	9-28-59	[11] 15.8007	16.0058	[12] G-16629
		172	4	Texas Eastern (Bethany-Longstreet Field, De Soto Parish, La.).	9-23-59	9-28-59	[11] 15.5936	16.0058	----------

See footnotes at end of table.

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Notice of change dated—	Date tendered	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Rate in effect subject to refund in docket Nos.
G-19766	Pan American Petroleum Corp. (Operator), et al.	150	13	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-22-59	9-28-59	[14] 15.3007	16.0058	[15] G-16628
		32	12	Texas Eastern (Northeast Lisbon Field, Claiborne Parish, La.).	9-22-59	9-28-59	[14] 15.3007	16.0058	[15] G-16481
G-19767	Placid Oil Co. (Operator), et al.	15	6	H. L. Hunt (Whelan Field, Harrison County, Tex.).	9-25-59	9-28-59	[13] 14.6	14.8	G-17423
		16	5	H. L. Hunt (N. Lansing Field, Harrison County, Tex.).	9-28-59	9-30-59	[16] 14.1	14.3	[15] G-17423
		14	11	H. L. Hunt (Lucky and Liberty Hill Fields, Bienville Parish, La.).	9-23-59	9-25-59	[14] 16.0507	16.2558	[15] G-16341
G-19768	Plymouth Oil Co	10	6	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-21-59	9-25-59	[14] 15.9257	16.1308	[15] G-16631
G-19769	Salt Dome Production Co	5	1	Texas Eastern (Garwood Field, Lavaca County, Tex.).	Undated	9-28-59	[16] 14.6	14.8	----------
		3	15	Texas Eastern (Provident City Field, Lavaca County, Tex.).	---do----	9-28-59	[16] 14.6	14.8	[15] G-16655
G-19770	Shell Oil Co	1	10	Texas Eastern (Carthage Field, Panola County, Tex.).	9-25-59	9-30-59	[16] 14.6	14.8	[15] G-16670
G-19771	Shell Oil Co. (Operator)	10	20	Texas Eastern (Provident City Plant, Colorado County, Tex.).	9-25-59	9-30-59	[16] 14.6	14.8	[15] G-16671
G-19772	Sohio Petroleum Co	35	7	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	Undated	10-1-59	[14] 15.3007	16.0058	[15] G-16634
G-19773	Standard Oil Co. of Texas	2	11	Texas Eastern (Gist and Adams Ranch Fields, Chambers County, Tex.).	---do----	9-28-59	[16] 14.6	14.8	[15] G-16676
		27	3	Texas Eastern (Chevron Field, Kleberg County, Tex.).	---do----	9-28-59	[16] 14.6	14.8	[15] G-16676
G-19774	Sun Oil Co	29	11	Standard Texas (Gist Field, Jasper and Newton Counties, Tex.).	9-14-59	9-24-59	[17] 14.6	14.8	[18] G-16624
		91	4	Texas Eastern (Hidalgo Field, Hidalgo County, Tex.).	9-24-59	9-29-59	[17] 14.6	14.8	G-16810
		23	11	Texas Eastern (Carthage Field, Panola County, Tex.).	9-24-59	9-29-59	[17] 14.6	14.8	[18] G-16621
G-19775	Sun Oil Co. (Operator), et al.	35	15	Texas Eastern (Delhi Gasoline Plant, Richland Parish, La.).	9-24-59	9-29-59	[19] 15.3007	16.0058	[18] G-16622
		36	12	Texas Eastern (Delhi Field, Richland Parish, La.).	9-24-59	9-29-59	[19] 15.3007	16.0058	[18] G-16622
G-19776	Sunray Mid-Continent Oil Co.	122	10	Texas Eastern (Greenwood-Waskom Field, Caddo Parish, La.).	9-24-59	9-28-59	[19] 15.3007	16.0058	[18] G-16649
		127	8	Texas Eastern (Bethany-Longstreet Field, De-Soto Parish, La.).	9-24-59	9-28-59	[19] 15.3007	16.0058	[18] G-16649
		126	7	Texas Eastern (Bethany-Longstreet Field, De-Soto Parish, La.).	9-24-59	9-28-59	[19] 15.3007	16.0058	[18] G-16649
G-19777	Texaco Inc	160	4	Texas Eastern (Del Grullo and E. White Point Fields, Kleberg and San Patricio Counties, Tex.).	Undated	9-25-59	[17] 14.6	14.8	[18] G-16636
G-19778	Texaco Inc. (Operator), et al.	170	2	Texas Eastern (Hidalgo Field, Hidalgo County, Tex.).	---do----	9-25-59	[17] 14.6	14.8	G-16637
G-19779	Texaco Seaboard, Inc	22	4	Texas Eastern (Chapman Ranch Field, Nueces County, Tex.).	---do----	9-25-59	[17] 14.6	14.8	[18] G-16635
		21	14	Texas Eastern (Delhi Natural Gas Plant, Richland Parish, La.).	---do----	10-1-59	[19] 15.1854	16.0058	G-13346

[2] Pressure Base 14.65 psia.
[3] Pressure Base 15.025 psia.
[4] Rate also subject to refund in other dockets.
[5] Pressure Base 14.64 psia.
[6] Rate also subject to refund in other dockets.
[7] Pressure Base 15.025 psia.
[8] Pressure Base 15.025 psia.
[9] Rate also subject to refund in other dockets.
[10] Pressure Base 14.65 psia.
[11] Pressure Base 15.025 psia.
[12] Rate also subject to refund in other dockets.
[13] Pressure Base 14.65 psia.
[14] Pressure Base 15.025 psia.
[15] Rate also subject to refund in other dockets.
[16] Pressure Base 14.65 psia.
[17] Pressure Base 14.65 psia.
[18] Rate also subject to refund in other dockets.
[19] Pressure Base 15.025 psia.

Abbreviations:
Texas Eastern—Texas Eastern Transmission Corporation.
Unit Gas—Unit Gas Company, Inc.
Standard Texas—Standard Oil Company of Texas.

An effective date of November 1, 1959, is proposed by all of the Respondents. Each of the proposed periodic rate increases of the Respondents listed hereinabove, with the exception of the proposed periodic rate increase of General Crude Oil Company, has been suspended for five months from the requested effective date until April 1, 1960, and until such further time as each is made effective in the manner prescribed by the Natural Gas Act. The proposed periodic rate increase of the General Crude Oil Company has been suspended, for five months from the date of expiration of statutory notice, November 2, 1959, until April 2, 1960 and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

The Respondent's in support of their proposed periodic rate increases state that the increased rates are provided for by their respective contracts and that the proposed rate increases are just and reasonable. In addition, the Respondents state that the pricing arrangements are common in long-term contracts, that the increases are similar to or are below prices paid for similar gas in the same general area, that no favored-nation clause would be triggered by the increased rates and that to deny the proposed increases would be unjust. Furthermore, statements were made by the Respondents to the effect that costs are increasing and that the increased rates will only partially offset increased costs.

In addition to the above, Pan American Petroleum Corporation and Pan American Petroleum Corporation (Operator), et al. make reference to the market price testimony in Docket Nos. G-9277, et al., and lists a number of prices in the area to show that its proposed rates are the current market value.

Humble Oil and Refining Company (Humble), states that since the staff has been investigating Humble's books and records for sometime that there is no need to suspend the increased rates to allow time for an investigation. In the alternative Humble states that if the increase is to be suspended, the suspension period should be for as short a time as possible, due to the fact that the rate investigation has been under way for sometime.

Sunray Mid-Continent Oil Company states that the energy value of gas as a fuel is greatly in excess of its proposed increases.

Texaco Seaboard, Inc., Mayfair Minerals, Inc., Harrell Drilling Company and Texaco Inc. state that Texas Eastern Transmission Corporation is purchasing gas in Mexico under a contract that provides for a price increase to 14.8¢ per Mcf on November 1, 1959, for gas delivered on the Texas-Mexico Border. The Respondents mentioned hereinabove request that their rates be made effective as proposed in order to prevent an unfair situation whereby a foreign producer receives a higher price than a domestic producer for gas purchased under the same contract terms.

Gulf Oil Corporation and Gulf Oil Corporation (Operator), et al. cite exhibits presented in evidence in Docket Nos. G-9520, et al. to show that their costs are increasing and that the cost of producing the subject gas is above the price for which it is sold.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreason-

able, unduly discriminatory, or preferential or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure and the regulations under the Natural Gas Act (18 CFR, Ch. I), public hearings be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearing and decision thereon, each of the aforementioned supplements, except Supplement No. 9 to General Crude Oil Company's FPC Gas Rate Schedule No. 2, is hereby suspended and the use thereof deferred until April 1, 1960, and until such further time as each is made effective in the manner prescribed by the Natural Gas Act. Supplement No. 9 to General Crude Oil Company's FPC Gas Rate Schedule No. 2 is hereby suspended and the use thereof deferred until April 2, 1960, and until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37 (f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-9181; Filed, Oct. 30, 1959; 8:45 a.m.]

[Docket Nos. G-19846-G-19902]

ARKANSAS OIL FUEL CORP. ET AL.

Order for Hearings and Suspending Proposed Changes in Rates [1]

OCTOBER 23, 1959.

In the matters of Arkansas Fuel Oil Corporation, G-19846; The Atlantic Refining Company, G-19847; Champlin Oil & Refining Company, G-19848; Champlin Oil & Refining Company, et al., G-19849; Champlin Oil & Refining Company (Operator), et al., G-19850; Cities Service Production Company, G-19851; Clark Fuel Producing Company, G-19852; Clark Fuel Producing Company (Operator), et al., G-19853; Continental Oil Company, G-19854; Continental Oil Company (Operator), et al., G-19855; C. D. Davis, et al., G-19856; Delhi-Taylor Oil Corporation, G-19857; Ralph E. Fair, et al., G-19858; Ralph E. Fair, Inc., et al., G-19859; Forest Oil Corporation, G-19860; V. W., P. M. & C. M. Frost, G-19861; A. S. Genecov, Trustee, et al., G-19862; Geode Petroleum, Inc., G-19863; Gillring Oil Company, G-19864; Gulf Oil Corporation, G-19865; Highland Oil Company, G-19866; Lamar Hunt, G-19867; N. B. Hunt, G-19868; Hunt Oil Company, G-19869; W. H. Hunt, G-19870; Jones-O'Brien, Inc. (Operator), et al., G-19871; Kerr-McGee Oil Industries, Inc., G-19872; J. Ray McDermott & Company, Inc., et al., G-19873; John W. Mecom (Operator), et al., G-19874; John W. Mecom d/b/a Mecom Petroleum, G-19875; Midwest Oil Corporation, G-19876; J. B. Mitchell, et al., G-19877; Morgan Minerals Corporation, G-19878; Rand Morgan, G-19879; Mound Company, et al. G-19880; V. F. Neuhaus (Operator), et al., G-19881; Placid Oil Company, et al., G-19830; V. F. Neuhaus (Operator), et al., G-19883; Realitos Oil Company, G-19884; Renwar Oil Corporation, G-19885; Robison Oil Company, et al., G-19886; Shell Oil Company, G-19887; Shoreline Petroleum Corporation (Operator), et al., G-19888; Sinclair Oil & Gas Company, G-19889; Sinclair Oil & Gas Company (Operator), et al., G-19890; Socony Mobil Oil Company, Inc., G-19891; Socony Mobil Oil Company, Inc., (Operator), et al., G-19892; South States Oil & Gas Company, G-19893; Spartan Drilling Company (Operator), et al., G-19894; Standard Oil Company of Texas, G-19895; Sunnyland Contracting Company, Inc., G-19896; Texaco Inc., G-19897; Texaco Seaboard, Inc., G-19898; Texas Gulf Producing Company, G-19899; Tidewater Oil Company, G-19900; Ted Weiner (Operator), et al., G-19901; Shoreline Petroleum Corporation, et al., G-19902.

The proposed changes hereinafter designated, which constitute increased rates and charges in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission, have been tendered for filing by the above-named Respondents. In each filing, the purchaser is the Tennessee Gas Transmission Company or a producer reselling to Tennessee, and the Respondents have proposed November 1, 1959, as the effective date of the changes. Each filing has herein been suspended until April 1, 1960, and until such further time as each is made effective in the manner prescribed by the Natural Gas Act.

[1] This order does not provide for the consolidation for hearing or disposition of the separately docketed matters covered herein, nor should it be so construed.

Docket No.	Respondent [2]	Rate schedule No.	Supplement No.	Notice of change dated—	Date tendered	Cents per Mcf		Producing area
						Rate in effect	Proposed increased rate	
G-19846	Arkansas Fuel Oil Corp	5	4	9-23-59	9-24-59	12.12268	15.0952	Mariposa Field, Brooks County, Tex.
		45	3					North Rincon Field, Starr County, Tex.
G-19847	The Atlantic Refining Co	5	5	9-29-59	10-1-59	12.12268	15.26187	Mustang Island Field, Nueces County, Tex.
		6	7	9-29-59	10-1-59	11.90337	14.87589	North Minnie Bock Field, Nueces County, Tex.
		148	3	9-22-59	9-25-59	12.12268	17.24347	Tabasco Field, Hidalgo County, Tex.
G-19848	Champlin Oil & Refining Co	7	3	9-25-59	9-28-59	12.12268	15.0952	Los Indios Field, Hidalgo County, Tex.
G-19849	Champlin Oil & Refining Co., et al.	5	7			11.90337	14.87589	Stratton-Agua Dulce Field, Nueces County, Tex.
		9	5	9-25-59	9-28-59	12.12268	15.0952	El Ebanito Field, Starr County, Tex.
		8	3					La Reforma Field, Starr and Hidalgo Counties, Tex.
G-19850	Champlin Oil & Refining Co. (Operator), et al.	19	1	9-25-59	9-28-59	12.12268	15.0952	Sullivan City Field, Starr and Hidalgo Counties, Tex.
G-19851	Cities Service Production Co	4	[3] 6	9-18-59	9-25-59	18.5	23.09167	West Delta Field, Offshore, La.
G-19852	Clark Fuel Producing Co	5	4	Undated	9-30-59	12.12268	15.0952	Sullivan City Field, Hidalgo County, Tex.
G-19853	Clark Fuel Producing Co. (Operator), et al.	1	2	do	9-29-59	12.12268	15.0952	Sullivan City Field, Hidalgo County, Tex.
G-19854	Continental Oil Co	144	1	9-18-59	9-28-59	12.12268	15.0952	Odem Field, San Patricio County, Tex.
G-19855	Continental Oil Co. (Operator), et al.	138	[3] 5	9-28-59	9-29-59	18.5	23.09167	West Delta Field, Offshore, La.
G-19856	C. D. Davis, et al	1	5	Undated	9-30-59	12.62	14.4248	Bethany Field, Panola County, Tex.
G-19857	Delhi-Taylor Oil Corp	21	1	9-21-59	10-1-59	12.12268	17.24347	Coastal Field, Starr County, Tex.
		17	1					San Ramon Field, Hidalgo County, Tex.
G-19858	Ralph E. Fair, et al	2	4	Undated	9-30-59	12.12268	15.0952	McAllen Field, Hidalgo County, Tex.
G-19859	Ralph E. Fair, Inc., et al	1	12	do	9-30-59	12.12268	15.0952	Premont, West Magnolia City, Government Wells and
		1	13					Hagist Ranch Field, Jim Wells and Duval Counties, Tex.
G-19860	Forest Oil Corp	4	7	9-25-59	9-30-59	11.90337	14.87589	Brayton and Agua Dulce Field, Nueces County, Tex.
G-19861	V. W., P. M. & C. M. Frost	1	2	9-25-59	9-28-59	12.12268	17.24347	Chess Field, Willacy County, Tex.
G-19862	A. S. Genecov, Trustee, et al	1	3	9-29-59	10-1-59	12.62	14.4248	South Hallsville Field, Panola County, Tex.
G-19863	Geode Petroleum, Inc	1	8	Undated	9-30-59	12.12268	15.0952	Corpus Channel Field, Nueces County, Tex.
G-19864	Gillring Oil Co	1	6	9-24-59	9-25-59	11.90337	14.87589	Agua Dulce Field, Nueces County, Tex.

See footnotes at end of table.

Docket No.	Respondent [2]	Rate schedule No.	Supplement No.	Notice of change dated—	Date tendered	Cents per Mcf: Rate in effect	Cents per Mcf: Proposed increased rate	Producing area
G-19885	Gulf Oil Corp	89	[4] 4					Dixon Bay Field, Offshore Plaquemines Parish, La.
		87	[5] 5	9-29-59	9-30-59	18.5	23.09167	Bully Camp Field, Lafourche Parish, La.
		88	[5] 5					Tambalier Bay Field, Lafourche Parish, La.
G-19886	Highland Oil Co	1	2	Undated	10-1-59	12.12268	15.0952	Government Wells Field, Duval County, Tex.
		2	2					
G-19887	Lamar Hunt	2	9	9-28-59	9-29-59	12.12268	15.0952	South Sinton Field, San Patricio County, Tex.
G-19888	N. B. Hunt	2	9	9-28-59	9-29-59	12.12268	15.0952	Do.
G-19889	Hunt Oil Co	26	5	9-29-59	10-1-59	12.62	14.4248	Bethany Field, Panola County, Tex.
		11	5					Carthage Field, Panola County, Tex.
G-19870	W. H. Hunt	2	9	9-28-59	9-29-59	12.12268	15.0952	South Sinton Field, San Patricio, Tex.
G-19871	Jones O'Brien, Inc. (Operator), et al.	3	4	9-29-59	10-1-59	12.62	14.4248	Bethany Field, Panola County, Tex.
G-19872	Kerr-McGee Oil Industries, Inc	55	[8] 8	9-24-59	9-28-59	18.5	23.09167	Bully Camp Field, LaFourche Parish, La.
U-19873	J. Ray McDermott & Co., Inc. et al.	7	7	9-23-59	9-30-59	12.12268	15.0952	Plymouthand West Callaboose Fields, San Patricio County, Tex.
		5	7					Red Fish Bay Field, Nueces County, Tex.
G-19874	John W. Mecom (Operator), et al	5	[3] 3	Undated	10-1-59	18.5	23.09167	La Rose Field, LaFourche Parish, La.
G-19875	John W. Mecom d/b/a Mecom Petroleum.	2	[3] 3	do	10-1-59	18.5	23.09167	West Delta Farms Field, LaFourche, La.
G-19876	Midwest Oil Corp	16	1	9-28-59	9-30-59	11.90337	14.87589	San Salvador Field, Hidalgo County, Tex.
G-19877	J. B. Mitchell, et al	2	5	9-28-59	9-29-59	12.12268	15.0952	Zim-Ricaby and Ricaby Fields, Starr County, Tex.
		1	5	Undated	9-29-59			Zim Ricaby Field, Starr County, Tex.
G-19878	Morgan Minerals Corp	3	5	Undated	10-1-59	12.12268	15.0952	Morgan Field, San Patricio County, Tex.
G-19879	Rand Morgan	1	4	do	9-30-59	10.90337	13.87589	Farenthold Field, Jim Wells and Nueces Counties, Tex.
G-19880	Mound Co., et al	4	6	9-28-59	9-30-59	12.12268	15.0952	East Alice Field, Jim Wells County, Tex.
		3	5					La Gloria Field, Brooks County, Tex.
G-19881	V. F. Neuhaus (Operator), et al	4	1	9-28-59	9-29-59	12.12268	17.24347	North Rincon Field, Starr County, Tex.
G-19882	Placid Oil Co	1	8	9-25-59	9-28-59	12.62	14.4248	Bethany Field, Panola County, Tex.
G-19883	Placid Oil Co. (Operator), et al	11	7	9-25-59	9-28-59	14.4248		Do.
G-19884	Realitos Oil Co	1	1	Undated	9-17-59	12.12268	15.0952	La Copita Field, Starr County, Tex.
G-19885	Renwar Oil Corp	13	1	do	9-30-59	12.12268	15.0952	Seeligson Field, Jim Wells and Kleberg Counties, Tex.
G-19886	Robison Oil Co., et al	1	3	do	10-1-59	[3] 12.12268	[3] 17.2416	Zim Field, Starr County, Tex.
G-19887	Shell Oil Co	14	4	9-25-59	9-30-59	12.12268	15.0952	Stedman Island Field, Nueces County, Tex.
		131	3	9-25-59	9-30-59	12.12268	15.0952	Seven Sisters Field, Duval County, Tex.
		172	1	9-25-59	9-30-59	12.12268	15.0952	East Cameron Field, Starr County, Tex.
		92	5	9-25-59	9-30-59	12.12268	15.0952	Riverside Field, Nueces County, Tex.
		188	1	9-25-59	9-30-59	12.12268	15.0952	Seeligson Field, Jim Wells County, Tex.
		136	1	9-25-59	9-30-59	12.12268	15.0952	North Government Wells Field, Duval County, Tex.
		137	2	9-25-59	9-30-59	12.12268	15.0952	La Copita Field, Starr County, Tex.
G-19888	Shoreline Petroleum Corp. (Operator), et al.	11	3	9-24-59	9-25-59	11.90337	14.8758	Calallen Field., Nueces County, Tex.
G-19889	Sinclair Oil & Gas Co	59	1	9-25-59	9-30-59	12.12268	17.2434	Tabasco Field, Hidalgo County, Tex.
		91	1	9-24-59	9-25-59	12.12268	17.24347	San Salvador Field, Hidalgo County, Tex.
G-19890	Sinclair Oil & Gas Co. (Operator), et al.	167	[1] 1	9-24-59	9-25-59	18.5	23.09167	Timbalier Bay Field, LaFourche and Terrebonne Parish, La.
G-19891	Socony Mobil Oil Co., Inc	78	7	9-28-59	10-1-59	12.12268	15.0952	Donna Field, Hidalgo County, Tex.
		81	6	9-24-59	10-1-59	12.12268	15.0952	La Reforman Field, Starr and Hidalgo Counties, Tex.
		84	2	9-24-59	10-1-59	12.12268	15.0952	Sun Field, Starr County, Tex.
		47	12	9-24-59	10-1-59	12.12268	15.0952	San Salvador Field, Hidalgo County, Tex.
		53	10	9-24-59	10-1-59	12.12268	15.0952	San Ramon Field, Hidalgo County, Tex.
G-19892	Socony Mobil Oil Co., Inc. (Operator), et al.	27	9					Edinburg Field, Hidalgo County, Tex.
		45	12					North Government Wells Field, Duval County, Tex.
		56	11	9-24-59	10-1-59	12.12268	15.0952	Hagist Ranch and North Government Fields, Duval County, Tex.
		80	6					La Reforma Field, Starr and Hidalgo Counties, Tex.
		168	1					Seeligson Field, Jim Wells County, Tex.
		21	4					Piedre Lumbre Field, Duval County, Tex.
G-19893	South States Oil & Gas Co	1	8	9-24-59	9-29-59	[6] 12.12268	[6] 15.0952	North Ross and Riverside Fields, Starr and Nueces Counties, Tex.
G-19894	Spartan Drilling Co. (Operator), et al.	1	7	9-21-59	9-28-59	12.12268	15.0952	Spartan Field, San Patricio County, Tex.
G-19895	Standard Oil Co. of Texas	1	5	Undated	9-28-59	12.12268	15.0952	Alta Mesa, Scott, and Hopper Fields, Brooks County, Tex.
G-19896	Sunnyland Contracting Co., Inc	2	[3] 3	do	9-28-59	18.5	23.09167	Bully Camp Field, Lafourche and Terrebonne Parishes, La
G-19897	Texaco Inc	56	3	do	10-1-59	12.12268	15.0952	La Reforma Field, Starr County, Tex.
		193	1	do	10-1-59	12.12268	15.0952	Seeligson Field, Jim Wells County, Tex.
		59	6	do	10-1-59	12.12268	15.0952	Government Wells Field, Duval County, Tex.
		58	2	do	10-1-59	12.12268	17.24347	Hagist Ranch Field, Duval County, Tex.
		57	3	do	10-1-59	12.12268	17.24347	Hagist Ranch Field, Duval County, Tex.
		146	[6] 6	do	9-30-59	18.5	23.09167	Bayou Penchant and Deer Island Fields, Terrebonne Parish, La.
		187	[1] 1	do	9-30-59	18.5	23.09167	Atchafalaya Bay Field, St. Mary Parish, La.
		145	[3] 3	do	9-30-59	18.5	23.09167	Main Pass Block 35 and South Pass Block 24, Plaquemines Parish, La.
		55	5	do	10-1-59	12.12268	17.24347	Raymondville and Monte Pasture Fields, Willacy and Kenedy Counties, Tex.
G-19898	Texaco Seaboard Inc	7	5	do	10-1-59	12.12268	15.0952	Seven Sisters Field, Duval County, Tex.
		6	7	do	10-1-59	[7] 11.90337	17.02416	Riverside Field, Nueces County, Tex.
		5	5	do	10-1-59	12.12268	15.0952	Spartan Field, San Patricio County, Tex.
		4	5	do	10-1-59	12.12268	15.0952	Plymouth Field, San Patricio County, Tex.
G-19899	Texas Gulf Producing Co	33	2	9-24-59	10-1-59	12.12268	15.0952	Seeligson Field, Jim Wells County, Tex.
		24	1					Piedre Lumbre Field, Duval County, Tex.
G-19900	Tidewater Oil Co	56	[5] 5	9-25-59	9-28-59	18.5	23.09167	West Delta Field, Plaquemines Parish, Offshore, La.
G-19901	Ted Weiner (Operator), et al	4	[4] 4	9-24-59	9-25-59	18.5	23.09167	Bully Camp Field, Lafourche Parish, La.
G-19902	Shoreline Petroleum Corp., et al	2	5	9-24-59	9-25-59	11.90337	14.87589	Calallen Field, Nueces County, Tex.

[2] The purchaser in each case is Tennessee Gas Transmission Co., except in the case of Rand Morgan, the purchaser is Associated Oil & Gas Co. Psia is 14.65 unless otherwise footnoted.

[3] Includes 2.5 cents per Mcf for handling deducted by buyers.

[4] Includes 0.21931 cent per Mcf for dehydration deducted by buyer.

[5] Includes 0.21931 cent per Mcf for dehydration deducted by buyer.

[6] Gas from Riverside Field subject to 0.21931 cent per Mcf for dehydration deducted by buyer.

[7] Previously reported as 12.12268 cents per Mcf for dehydration deducted by buyer.

[8] 15.025 psia.

In support of the proposed increased rates, Respondents state that the increased price is provided in the contract which was negotiated at arm's-length that the increased rates are just and reasonable, that the increased rates are lower than rates which the Commission has accepted for filing in the same areas, and that the increased rates represent fair and reasonable consideration for commitment of gas to the buyer during the long term of the contract.

In further support, Texaco Incorporated cites its exhibits in the suspension proceeding in Docket No. G-8969 and recent increases in hourly wages and steel prices. Gulf Oil Corporation cites its testimony and cost exhibits in the suspension proceedings in Docket No. G-9520. Delhi-Taylor Corporation cites its cost of service for the year 1957 in the suspension proceeding in Docket No. G-6504. These proceedings have not been concluded.

Ralph E. Fair and Ralph C. Fair, Incorporated cite cost of service exhibits in Docket No. G-9285.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure, and the regulations under the Natural Gas Act (18 CFR Ch. I), public hearings shall be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed increase rates and charges contained in the above-designated supplements.

(B) Pending hearings and decisions thereon, each of the above rate schedules as supplemented, are hereby suspended and the use thereof deferred until April 1, 1960; each of the aforementioned supplements shall remain suspended until such further time as they are made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-9182; Filed, Oct. 30, 1959; 8:45 a.m.]

[Docket Nos. G-19903, G-19942]

HUMBLE OIL & REFINING CO. ET AL.

Order for Hearing and Suspending Proposed Changes in Rates [1]

OCTOBER 23, 1959.

In the matters of Humble Oil & Refining Company, G-19903; Sunray Mid-Continent Oil Company, G-19904; Sunray Mid-Continent Oil Company, G-19905; Sunray Mid-Continent Oil Company, G-19906; Sun Oil Company, G-19907; Sun Oil Company, G-19908; Sun Oil Company (Operator), et al., G-19909; Texas Gulf Producing Co. (Operator), et al., G-19910; Gulf Oil Corporation (Operator), et al., G-19911; Midwest Oil Corporation (Operator), et al., G-19912; Austral Oil Co., Inc. (Operator) (Agent for Oil Participations, Inc.), G-19913; Kerr-McGee Oil Industries, Inc. (Operator), et al., G-19914; Shell Oil Company, G-19915; Texaco Inc. (Operator), et al., G-19916; Texaco Inc., G-19917; Texaco Inc. (Operator), G-19918; Continental Oil Company, G-19919; The Hunter Company, Inc., G-19920; Pan American Petroleum Corporation (Operator), et al., G-19921; The Atlantic Refining Company, G-19922; The Atlantic Refining Company, G-19923; John Mecom d/b/a Mecom Petroleums, G-19924; Durbin Bond & Co., Inc. (Operator), et al., G-19925; J. Ray McDermott & Co., Inc., G-19926; Renwar Oil Corporation (Operator), G-19927; Christie, Mitchell & Mitchell Company (Operator), et al., G-19928; Sinclair Oil & Gas Company, G-19929; W. H. Hunt, G-19930; C. W. Alexander, et al., G-19931; G. R. Ridgway & W. B. Ridgway, G-19932; Southwestern Oil & Refining Company (Operator), et al., G-19933; The Superior Oil Company, G-19934; Dunlap Oil Corporation, G-19935; Orange Grove Gas Gathering Co., G-19936; Fred Bowman (Operator), et al., G-19937; Lab Oil Company (Operator), et al., G-19938; Forest Oil Corporation (Operator), et al., G-19939; Forest Oil Corporation, G-19940; Rebstock & Reeves Drilling Company (Operator), et al., G-19941; Columbian Carbon Company, G-19942.

The above-named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes, as herein designated, and the pertinent data related thereto, are tabulated as follows:

[1] This order does not provide for the consolidation for hearing or disposition of the separately docketed matters covered herein, nor should it be so construed.

Docket Nos.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Notice of change dated—	Date tendered	Effective date [2] unless suspended	Supplement suspended until—	Cents per Mcf.		Rate in effect subject to refund in docket Nos.
									Rate in effect	Proposed increased rate	
G-19903	Humble Oil & Refining Co.	145	1	United Fuel—Go Around Bayou Field, Cameron Parish, La.	9-17-59	9-25-59	11- 1-59	4- 1-60	[3] 19.1	19.5	
		135	3	United Fuel—Florence Field, Vermilion Parish, La.	9-16-59	9-25-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16957
		25	9	United Fuel—Ellis Field, Acadia Parish, La.	9-16-59	9-25-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16801
		24	9	United Fuel—Cameron Meadows Field, Cameron Parish, La.	9-17-59	9-25-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16087
		26	9	United Fuel—Avery Island Field, Iberia Parish, La.	9-16-59	9-25-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16801
G-19904	Sunray Mid-Continent Oil Co.	178	2	United Fuel—Valentine Field, Lafourche Parish, La.	9-30-59	10- 2-59	11- 2-59	4- 2-60	[3] 19.1	19.5	
G-19905	do	132	7	United Fuel—Coles Gully Field, Acadia Parish, La.	9-29-59	10- 5-59	11- 5-59	4- 5-60	[3] 19.1	19.5	G-16484
		175	2	TGT—Seeligson Field, Jim Wells Co., Texas (RR District 4).	9-28-59	10- 5-59	11- 5-59	4- 5-60	[4] 12.1226S	15.0952	
G-19906	do	186		United Gas P/L—Gibson Field, Terrebonne Parish, La.	9-24-59	9-28-59	10-29-59	3-29-60			
		186	1	do	9-24-59	9-28-59	10-29-59	3-29-60	[3] 10.497	23.3	
G-19907	Sun Oil Co	76	5	United Fuel—N. Chalkley Field, Calcasieu and Jefferson Davis Parishes, La.	9-14-59	9-24-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16684
		75	5	United Fuel—Branch Field, Acadia Parish, La.	9-14-59	9-24-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16684
		38	7	United Fuel—Ellis Field, Acadia Parish, La.	9-14-59	9-24-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16684
		41	11	Texas Gas—Caplen Field, Galveston County, Tex. (RR District 3).	9-14-59	9-24-59	11- 1-59	4- 1-60	[4][5] 13.9325	[5] 17.25	G-16685
G-19908	do	77	1	United Gas P/L—Pistol Ridge and Maxie Fields; Forest, Lamar, and Pearl River Counties, Miss.	9-24-59	9-29-59	11-24-59	4-24-60	[3] 20.0	24.0	
G-19909	Sun Oil Co. (Operator), et al.	66	4	do	9-24-59	9-29-59	11-24-59	4-24-60	[3] 20.0	24.0	
G-19910	Texas Gulf Producing Co. (Operator), et al.	10	8	United Fuel—Lake Long Field, La Fourche Parish, La.	Undated	10- 2-59	11- 2-59	4- 2-60	[3] 19.1	19.5	G-17188
G-19911	Gulf Oil Corp. (Operator), et al.	124	5	United Fuel—Southeast Houma Field, Terrebonne Parish, La.	9-29-59	9-30-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16730
		125	6	United Fuel—NE. Rayne Field, Acadia Parish, La.	9-29-59	9-30-59	11- 1-59	4- 1-60	[3] 19.1	19.5	G-16730
G-19912	Midwest Oil Corp. (Operator), et al.	14	1	United Fuel—E. Ellis Field, Acadia Parish, La.	9-25-59	9-28-59	11- 1-59	4- 1-60	[3] 19.1	19.5	
		15	1	United Fuel—Branch Field, Acadia Parish, La.	9-25-59	9-28-59	11- 1-59	4- 1-60	[3] 19.1	19.5	

See footnotes at end of table.

Docket Nos.	Respondent	Rate schedule No.	Supplement No.	Purchaser and producing area	Notice of change dated—	Date tendered	Effective date[2] unless suspended	Supplement suspended until—	Cents per Mcf. Rate in effect	Cents per Mcf. Proposed increased rate	Rate in effect subject to refund in docket Nos.
G-19913	Austral Oil Co., Inc. (Operator) (Agent for Oil Participations, Inc.).	9	5	United Fuel—Thornwell Field, Jefferson Davis, and Cameron Parishes, La.	9-28-59	10-1-59	11-1-59	4-1-60	[3] 19.1	19.5	G-18270
G-19914	Kerr-McGee Oil Industries, Inc. (Operator), et al.	60	1	United Fuel—Go Around Bayou Field, Cameron Parish, La.	9-24-59	9-28-59	11-1-59	4-1-60	[3] 19.1	19.5	
G-19915	Shell Oil Co	177	2	United Fuel—E. Cameron, Block 17 Field, Offshore Cameron Parish, La.	9-25-59	9-28-59	11-1-59	4-1-60	[3] 19.1	19.5	
G-19916	Texaco Inc. (Operator), et al.	3	13	United Fuel—Valentine Field, Lafourche Parish, La.	Undated	9-30-59	11-1-59	4-1-60	[3] 19.1	19.5	G-16597
G-19917	Texaco Inc	5	7	United Fuel—Horseshoe Bayou Field, St. Mary Parish, La.	do	9-30-59	11-1-59	4-1-60	[3] 19.1	19.5	G-16596
		200	1	United Fuel—Midland Field, Acadia Parish, La.	do	9-30-59	11-1-59	4-1-60	[3] 19.1	19-5	
		4	7	United Fuel—E. Mudlake Field, Cameron Parish, La.	do	9-30-59	11-1-59	4-1-60	[3] 19.1	19.5	G-16593
		122	3	Gas Gathering Corp. Happytown Field, St. Martin Parish, La.	do	9-30-59	11-1-59	4-1-60	[3] 15.0	16.0	
G-19918	Texaco Inc. (Operator).	2	7	United Fuel—Lake Barre, Leeville, and Lake Salvador Fields; Terrebonne, Lafourche, and St. Charles Parishes, La.	do	9-30-59	11-1-59	4-1-60	[3] 19.1	19.5	G-16593
G-19919	Continental Oil Co	3	7	TGT—Carthage Field, Panola County, Tex. (RR District 6).	9-30-59	10-1-59	11-1-59	([10])	[4] 12.62	14.4248	
G-19920	The Hunter Company, Inc.	5	8	do	Undated	9-28-59	11-1-59	([10])	[4] 12.62	14.4248	
G-19921	Pan American Petroleum Corp. (Operator), et al.	72	12	do	9-17-59	9-21-59	11-1-59	([10])	[4] 12.62	14.4248	
G-19922	The Atlantic Refining Co.	195	3	Transcontinental—Live Oak Field, Vermilion Parish, La.	9-22-59	9-25-59	11-1-59	4-1-60	[3] 17.5	18.5	
G-19923	do	22	4	The Altex Corp.—Tom Graham Field, Jim Wells County, Tex. (RR. District 4).	10-5-59	10-6-59	11-6-59	4-6-60	[4] [9] 10.8726	13.8452	
		23	4								
G-19924	John W. Mecom, d/b/a Mecom Petroleums.	3	3	Transcontinental—Block 45 Field, Offshore, Cameron Parish, La.	Undated	10-1-59	11-1-59	4-1-60	[3] 17.5	18.5	
G-19925	Durbin Bond & Co., Inc. (Operator), et al.	4	4	Southern Natural—Gwinville Field, Jefferson Davis and Simpson Counties, Miss.	11-15-57	9-29-59	10-30-59	3-30-60			
		4	5	do	9-29-59	9-29-59	10-30-59	3-30-60	[3] 13.5	20.0	
G-19926	J. Ray McDermott & Co., Inc.	1	2	Kansas-Nebraska—NW. Grayling Field, Logan County, Colo.	9-23-59	9-30-59	11-1-59	4-1-60	[7] 14.0	15.0	
G-19927	Renwar Oil Corp. (Operator).	9	6	Texas Eastern—West Rockport Field, Aransas County, Tex. (RR. District 4).	10-2-59	10-6-59	11-6-59	4-6-60	[4] 14.6	14.8	G-17152
G-19928	Christie, Mitchell & Mitchell Co. (Operator), et al.	9	20	Texas Eastern—South Sheridan and Vienna Fields, Colorado and Lavaca Counties, Tex. (RR. District 3).	9-30-59	10-5-59	11-5-59	4-5-60	[4] 14.4	14.8	G-16189
G-19929	Sinclair Oil & Gas Co.	77	2	United Gas P/L—Pistol Ridge Field, Forest County, Miss.	9-25-59	9-28-59	11-24-59	4-24-60	[3] 20.0	24.0	
G-19930	W. H. Hunt	3	5	United Gas P/L—W. Oretta Field, Beauregard Parish, La.	9-23-59	10-2-59	11-2-59	4-2-60			
		3	6		Undated	10-2-59	11-2-59	4-2-60	[3] 10.497	18.5	
G-19931	C. W. Alexander, et al.	1	2	United Gas P/L—Pistol Ridge, Pearl River County, Miss.	9-28-59	10-2-59	11-24-59	4-24-60	[2] 20.0	24.0	G-10565
G-19932	G. R. Ridgway & W. B. Ridgway.	1	3	United Gas P/L—Pistol Ridge & Maxie Fields, Forest, Lamar, and Pearl River Counties, Miss.	10-2-59	10-5-59	11-24-59	4-24-60	[3] 20.0	24.0	
G-19933	Southwestern Oil & Refining Co. (Operator), et al.	5	3	TGT—La Jara Field, Hidalg County, Tex. (RR. District 4).	Undated	10-6-59	11-6-59	4-6-60	[4] 12.1226S	15.0052	
G-19934	The Superior Oil Co	46	6	Cities Service—Rhodes and Boggs Fields, Barber County, Kans.	10-5-59	10-6-59	12-22-59	5-23-60	[4] 12.0	13.0	
		68	1		10-5-59	10-6-59	12-22-59	5-23-60	[4] 12.0	13.0	
G-19935	Dunlap Oil Corp	2	1	TGT—Seeligson Field, Jim Wells County, Tex. (RR. District 4).	9-29-59	10-1-59	11-1-59	4-1-60	[4] 12.1226S	15.0052	
G-19936	Orange Grove Gas Gathering Co.	1	6	Texas-Illinois—Orange Grove and Wade City Fields, Jim Wells County, Tex. (RR. District 4).	10-14-59	10-14-59	11-14-59	4-14-60	[4] 12.5	14.5	
G-19937	Fred Bowman (Operator), et al.	2	1	Orange Grove—Wade City Field, Jim Wells County, Tex. (RR. District 4).	9-27-59	9-30-59	11-1-59	([11])	[4] 9.0	10.0	
G-19938	Lab Oil Co. (Operator), et al.	1	1	Orange Grove—NW. Orange Grove Field, Jim Wells County, Tex. (RR. District 4).	9-21-59	9-25-59	10-26-59	3-26-60	[4] [8] 10.0	11.0	
G-19939	Forest Oil Corporation (Operator), et al.	3	4	United Fuel—Ellis Field, Acadia Parish, La.	9-28-59	9-30-59	11-1-59	4-1-60	[3] 17.5	19.5	
G-19940	Forest Oil Corp	2	8	United Fuel—Bourg Field, La Fourche, and Terrebonne Parishes, La.	9-28-59	9-30-59	11-1-59	4-1-60	[3] 17.5	10.5	
G-19941	Rebstock & Reeves Drilling Co. (Operator), et al.	1	7	United Fuel—Valentine Field, La Fourche Parish, La.	9-24-59	9-28-59	11-1-59	4-1-60	[3] 19.1	19.5	G-17733
G-19942	Columbian Carbon Co.	29	5	United Fuel—W. Gueydan Field, Vermilion Parish, La.	10-1-59	10-5-59	11-5-59	4-5-60	[3] 19.1	19.5	G-17157

[2] The stated effective dates are those requested by Respondents on the first day after expiration of statutory notice, which ever is later.
[3] Pressure base, 15.025 psia.
[4] Pressure base, 14.65 psia.
[5] Includes 1.0 cents per Mcf amortization of facilities deducted by buyer.
[6] Excluding 1.25 cents per Mcf for dehydration and gathering deducted by buyer.
[7] Pressure base, 16.4 psia.
[8] Includes 2.0 cents per Mcf transportation charge deducted by buyer.
[9] Subject to 5.75 cents per Mcf compression charge where applicable.
[10] See ordering paragraph (D).
[11] See ordering paragraph (C).

Abbreviations:
United Fuel—United Fuel Gas Company.
TGT—Tennessee Gas Transmission Company.
Transcontinental—Transcontinental Gas Pipe Line Corporation.
Southern Natural—Southern Natural Gas Company.
Kansas-Nebraska—Kansas-Nebraska Natural Gas Co., Inc.
Texas Eastern—Texas Eastern Transmission Corporation.
United Gas P/L—United Gas Pipe Line Company.
Orange Grove—Orange Grove Gas Gathering Co.

In support of the periodic increases, applicants in general state that the increased price is provided by their contracts which were negotiated at arms-length and that it would be unfair to deny respondents such higher price during the latter life of the contracts after deliveries have been made at the lower rates during the earlier years. Also, respondents generally have mentioned the higher prices paid in the area by other buyers under more recent contracts and have stated that the higher level of rate is needed to offset the higher costs of operations.

In addition, individual respondents offer other specific support or comment. Humble requests that if the Commission suspends its proposed increases that such suspension be limited to one day as the Commission is currently investigating its costs. Texaco cites U.S. Bureau of Labor Statistics as justification for its increased prices.

Sunray submits a comparison of gas and oil prices based on B.t.u. content and states it would not have entered contracts of this type if escallations had not been included. As to its Rate Schedule No. 54, Sunray states that the existing contract will expire on June 30, 1960, and that the new contract will assure purchaser continued gas supplies until May 1, 1979. Rebstock and Reeves adds that the entire pricing provision of the contract is the rate thereunder.

Continental Oil, Hunter and Pan American state that their filings are based upon the two-party favored-nations provisions contained in their respective rate schedules, but cite no specific rate as "triggering" the proposed increase.

Durbin Bond submits a rate redetermination agreement dated November 1, 1957, as support for its increased rate to Southern Natural. Renwar adds that its production is from an abnormally high pressure gas formation which necessitates the use of special costly gathering equipment.

Respondents supplying gas to United Gas P/L in the Maxie and Pistol Ridge Fields, to TGT in La Java and Seeligson Fields, and to Texas in Caplen Field, cite the price redetermination provisions in their individual rate schedules and submit copies of price redetermination letter agreements executed by purchasers. Hunt states the primary purpose of the rate change is to reflect the cost incurred in the construction of additional compression and dehydration facilities. Superior states its increased rates are below the price at which sales in the area have been certificated recently. Orange Grove bases its increases on the redetermination clause of its contract with Texas-Illinois; Bowman, on a revenue-sharing provision which states that if Orange Grove receives an increase, such will be passed on to Bowman. Lab Oil's increased rate is based upon the periodic escalation provision of the contract.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure and the regulations under the Natural Gas Act (18 CFR Ch. 10), public hearings be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearing and decision thereon, each of the aforementioned supplements, with the exception of Fred Bowman (Operator), et al., G–19937, Continental Oil Co., G–19919, The Hunter Co., Inc., G–19920, and Pan American Petroleum Corp. (Operator), et al., G–19921, is suspended and the use thereof is deferred until the date specified in the above-designated "Rate Suspended Until" column and thereafter until such further time as each is made effective in the manner prescribed by the Natural Gas Act.

(C) Pending hearing and decision thereon, Supplement No. 1 to Bowman's FPC Gas Rate Schedule No. 2 is suspended until and the use thereof deferred for one day from the date Supplement No. 6 to Orange Grove's FPC Gas Rate Schedule No. 1 is made effective, and thereafter until such further time as said Supplement No. 1 is made effective in the manner prescribed by the Natural Gas Act.

(D) Pending hearing and decision thereon, Supplement No. 7 to Continental's FPC Gas Rate Schedule No. 3, Supplement No. 8 to Hunter's FPC Gas Rate Schedule No. 5, and Supplement No. 12 to Pan American's FPC Gas Rate Schedule No. 72, are each suspended and the use of each is deferred until a date five months from the date the favored-nations provision of the respective rate schedule becomes activated, and thereafter until such further time as each is made effective in the manner prescribed by the Natural Gas Act.

(E) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(F) Interested State commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission (Commissioner Kline dissenting).

[SEAL] JOSEPH H. GUTRIDE, *Secretary.*

[F.R. Doc. 59-9183; Filed, Oct. 30, 1959; 8:45 a.m.]

CIVIL AERONAUTICS BOARD

[Docket 10873]

BRITISH OVERSEAS AIRWAYS CORP.

Notice of Prehearing Conference

In the matter of the application of British Overseas Airways Corporation for a foreign air carrier permit which would permit it to operate between the terminal point London, England, via a Polar Route, and the terminal point, Los Angeles, California.

Notice is hereby given that a prehearing conference in the above-entitled proceeding is assigned to be held on November 5, 1959, at 10:00 a.m., e.s.t., in Room 725, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Curtis C. Henderson.

Dated at Washington, D.C., October 28, 1959.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F.R. Doc. 59-9249; Filed, Oct. 30, 1959; 8:49 a.m.]

[Docket No. 10936]

REAL S.A. TRANSPORTES AEREOS

Notice of Hearing

In the matter of the application of Real S. A. Transportes Aereos for a foreign air carrier permit authorizing foreign air transportation between a terminal point in the United States of Brazil, the intermediate points Bogota, Colombia, Mexico City, Mexico, Los Angles, California, Honolulu, Hawaii, and the terminal point, Tokyo, Japan.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, that a hearing in the above entitled proceeding is assigned to be held on November 2, 1959, at 10:00 a.m., e.s.t., in Room 725, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Barron Fredricks.

Dated at Washington, D.C., October 29, 1959.

[SEAL] FRANCIS W. BROWN, *Chief Examiner.*

[F.R. Doc. 59-9267; Filed, Oct. 30, 1959; 10:11 a.m.]

DEPARTMENT OF THE TREASURY

Office of the Secretary

[AA 643.3]

HOMATROPINE HYDROBROMIDE AND HOMATROPINE METHYL BROMIDE FROM WEST GERMANY

Determination of No Sales at Less Than Fair Value

OCTOBER 26, 1959.

A complaint was received that homatropine hydrobromide and homatropine methyl bromide from West Germany

were being sold to the United States at less than fair value within the meaning of the Antidumping Act of 1921.

I hereby determine that homatropine hydrobromide and homatropine methyl bromide from West Germany are not being, nor are likely to be, sold in the United States at less than fair value within the meaning of section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)).

Statement of reasons. The investigation disclosed that the quantity sold for home consumption in West Germany was too small in relation to the quantity sold for exportation to countries other than the United States to form an adequate basis for comparison. It was determined, therefore, that for fair value purposes a comparison between prices to the United States and prices to third countries was appropriate.

It was found that there had been sales at less than third country prices during the early part of the period under consideration. The quantity thus sold was deemed to be not more than insignificant. Thereafter, the manufacturer revised his pricing and method of selling, with the result that there have been no further sales at less than third country prices. The evidence available indicates that there is no likelihood of sales at less than third country prices in the future.

This determination and the statement of reasons therefor are published pursuant to section 201(c) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(c)).

[SEAL] A. GILMORE FLUES,
Acting Secretary of the Treasury.

[F.R. Doc. 59-9240; Filed, Oct. 30, 1959; 8:48 a.m.]

RAILROAD RETIREMENT BOARD

RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

Proclamation

Pursuant to section 8(a) of the Railroad Unemployment Insurance Act, as amended, the Railroad Retirement Board has determined, and hereby proclaims, that as of the close of business on September 30, 1959, there was a deficit of $27,802,193.71 in the railroad unemployment insurance account. The underlying figures relating to the computation of this deficit follow:

Unexpended amount in the railroad unemployment insurance account	$3,485,247.75
Deduct:	
Amounts borrowed from the Railroad Retirement account which have not been repaid	—36,175,000.00
Accrued interest on such borrowed amounts	—66,217.20
Deficit in railroad unemployment insurance account proper	32,755,969.45 (D)
Add:	
Balance in railroad unemployment insurance administration fund	+$4,953,775.74
Deficit in railroad unemployment insurance account	27,802,193.71 (D)

In witness whereof the members of the Railroad Retirement Board have hereunto set their hands and caused its seal to be affixed.

Done at Chicago, Illinois, this 21st day of October 1959.

[SEAL] HOWARD W. HABERMEYER, *Chairman.*
HORACE W. HARPER, *Member.*
THOMAS M. HEALY, *Member.*

By the Railroad Retirement Board.

LAWRENCE GARLAND,
Acting Secretary of the Board.

[F.R. Doc. 59-9223; Filed, Oct. 30, 1959; 8:46 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 812-1243]

ONE WILLIAM STREET FUND, INC.

Notice of Filing of Application for Exemption

OCTOBER 26, 1959.

Notice is hereby given that One William Street Fund, Inc. ("William Street"), a registered open-end investment company, has filed an application pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") for an order of the Commission exempting from the provisions of section 22(d) of the Act the proposed issuance of its shares for substantially all of the cash and securities of the Wallau Corporation ("Wallau") on the basis set forth below.

Shares of William Street, a Maryland Corporation, are offered to the public on a continuous basis at net asset value plus varying sales charges dependent on the amount purchased. As of August 31, 1959, the net assets of William Street amounted to $291,552,540 and 21,075,238 shares of its stock were outstanding.

Wallau, a New York Corporation, is a personal holding company with three stockholders which engages in the business of investing and reinvesting its funds. Wallau is exempt from registration under the Act by reason of the provisions of section 3(c)(1) thereof. Pursuant to an agreement between William Street, Wallau and the latter's stockholders, substantially all of the cash and securities owned by Wallau, with a total value of $4,386,699 as of August 31, 1959, will be transferred to William Street in exchange for shares of stock of William Street. The shares acquired by Wallau are to be distributed immediately to its shareholders who have agreed to take such shares for investment. The number of shares of William Street to be delivered to Wallau will be determined by dividing the net asset value per share of William Street in effect at the close of business on the day preceding the closing date into the value of the Wallau assets to be exchanged.

The value of the Wallau assets will be subject to an adjustment designed to protect William Street's shareholders from possible adverse tax consequences of the exchange. Since the exchange will be tax free for Wallau and its shareholders, William Street's cost basis for tax purposes on the assets acquired from Wallau will be the same as for Wallau, rather than the price actually paid by William Street for the assets. In view of this, and the proposed immediate sale by William Street of certain securities acquired from Wallau, provision is made for the following adjustments. With respect to the Wallau securities that William Street proposes to retain in its portfolio, if the percentage of the value of these securities representing unrealized appreciation is greater than the percentage of the value of William Street's portfolio securities representing unrealized appreciation, there will be deducted from the value of Wallau's assets 12½ percent of the amount of such excess unrealized appreciation. With respect to the Wallau securities that William Street intends to sell immediately upon acquisition, there will be added to the above deduction 12½ percent of the net unrealized appreciation of these securities. The above adjustments are intended to safeguard the present shareholders of William Street from bearing a greater capital gains tax on any subsequent sale by William Street of the Wallau securities than they would bear on the sale of the securities presently in its portfolio, and to protect the present shareholders of William Street from bearing an increased tax burden as a consequence of the sale of certain securities immediately upon their acquisition.

As an offset to the above adjustments, there will be subtracted from the foregoing deductions 12½ percent of the amount of undistributed realized capital gains of William Street which the shareholders of Wallau will assume upon becoming shareholders of William Street. The application states that this offset was made in recognition that Wallau's acquisition of William Street shares will benefit the present shareholders of William Street by relieving them of a proportionate share of the tax liability on undistributed realized capital gains.

The application states that since the average capital gains tax rate that would have to be paid by William Street's shareholders cannot be exactly calculated the figure of 12½ percent used for adjustment purposes was arrived at as a fair compromise between 0 and the maximum long term capital gains tax of 25 percent.

As of August 31, 1959, the net unrealized appreciation on the Wallau securities William Street presently intends to retain as investments amounted to $1,592,280 or 62.7 percent of the value of such securities, as compared with net

unrealized appreciated of $38,721,254 or 13.3 percent of William Street's portfolio securities; the net unrealized appreciation of the Wallau securities William Street intends to sell immediately was $936,224; and the undistributed realized capital gains of William Street amounted to $9,277,131. Assuming the exchange had occurred on August 31, 1959, the adjustments described above would have resulted in a deduction of approximately $257,000 from the value of Wallau's assets. If the transaction had been consummated on August 31, 1959, Wallau would have received approximately 135,300 shares of stock of William Street, representing about 1.4 percent of the total shares outstanding.

The application recites that the terms of the entire transaction were arrived at through arm's-length bargaining between the officers of William Street and Wallau. The application further states that there is no affiliation or relationship of any kind between the officers and directors of William Street and the officers, directors, and stockholders of Wallau, and that Lehman Brothers, the investment adviser of William Street, has never acted as investment adviser to Wallau.

Section 22(d) of the Act provides, in pertinent part, that no registered investment company shall sell any redeemable security issued by it to any person except at a current offering price described in the prospectus, with certain exceptions not applicable here. Under the terms of the Agreement, however, the shares of William Street are to be issued to Wallau at a price other than the public offering price stated in the prospectus, which lists a sales charge of 1 percent for sales of $500,000 or over.

Section 6(c) of the Act authorizes the Commission by order upon application to exempt, conditionally or unconditionally, any transaction from any provision of the Act or of any rule or regulation thereunder, if and to the extent that the Commission finds that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is hereby given that any interested person may, not later than November 6, 1959 at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission should order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, as provided by Rule 0-5 of the rules and regulations promulgated under the Act, an order disposing of the application herein may be issued by the Commission upon the basis of the showing contained in said application, unless an order for hearing upon said application shall be issued upon request or upon the Commission's own motion.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F.R. Doc. 59-9224; Filed, Oct. 30, 1959; 8:46 a.m.]

TARIFF COMMISSION

[337-D-19]

CERTAIN MAP-MAKING INSTRUMENTS AND PARTS THEREOF

Notice of Dismissal of Complaint

After preliminary inquiry in accordance with § 203.3 of its rules of practice and procedure (19 CFR 203.3) the United States Tariff Commission, on the 26th day of October 1959, dismissed the complaint filed under section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) by the Kelsh Instrument Company, Inc., of Baltimore, Maryland, alleging unfair methods of competition and unfair acts in the importation and sale in the United States of certain stereoscopic photogrammetric projection instruments (map-making instruments). Notice of the receipt of this complaint was published in 22 F.R. 8298.

Issued October 28, 1959.

By order of the Commission.

[SEAL] DONN N. BENT, *Secretary.*

[F.R. Doc. 59-8237; Filed, Oct. 30, 1959; 8:48 a.m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

[Docket No. 872]

MEMBER LINES OF FAR EAST CONFERENCE AND MEMBER LINES OF PACIFIC WESTBOUND CONFERENCE

Notice of Investigation and of Hearing

On October 26, 1959, the Federal Maritime Board entered the following order:

It appearing that the member lines of the Far East Conference and Pacific Westbound Conference are parties to a certain Agreement No. FMB 8200 approved by the Federal Maritime Board pursuant to section 15 of the Shipping Act, 1916 (46 U.S.C. 814), and pursuant to that agreement act jointly for the purpose of establishing the rates and rules and regulations relating to the transportation by them of commodities exported from the United States to Far East destinations, and

It further appearing that protests against said agreement have been received from shippers and other persons, and

It further appearing that the public interest requires an investigation and hearing by this Board for the purpose of determining whether said Agreement No. 8200 should be (1) granted continued approval, (2) modified, or (3) disapproved,

Now therefore pursuant to sections 15, 16, 17, and 22 of the Shipping Act, 1916, as amended (46 U.S.C. 814, 815, 816, and 821),

It is ordered, That the Board, upon its own motion, enter upon an investigation and hearing to determine whether said Agreement No. 8200 is a true and complete agreement of the parties within the meaning of said section 15 and whether it is being carried out in a manner which makes it unjustly discriminatory or unfair between carriers, shippers, exporters, or ports, or between exporters from the United States and their foreign competitors, or to operate to the detriment of the commerce of the United States, or to be in violation of the Shipping Act, 1916, as amended,

It is further ordered, That the member lines of the Far East Conference and Pacific Westbound Conference be, and they are hereby, made respondents in this proceeding, and

It is further ordered, That this order be published in the FEDERAL REGISTER and that a copy of such order be served upon all respondents herein, and

It is further ordered, That this proceeding be set for hearing before an examiner of the Board's Hearing Examiners Office at a place and date to be fixed by the Chief Examiner.

Pursuant to the above order, notice is hereby given that the hearing herein ordered will be held before an examiner of the Board's Hearing Examiners' Office at a date and place to be determined and announced by the Chief Examiner. The hearing will be conducted in accordance with the Board's rules of practice and procedure, and a recommended decision will be issued by the examiner.

All persons (including individuals, corporations, associations, firms, partnerships, and public bodies), having an interest in this proceeding and desiring to intervene therein, should notify the Secretary of the Board promptly and file petitions for leave to intervene in accordance with Rule 5(n) (46 CFR 201.74) of said rules.

Dated: October 28, 1959.

By order of the Federal Maritime Board.

JAMES L. PIMPER, *Secretary.*

[F.R. Doc. 59-9241; Filed, Oct. 30, 1959; 8:48 a.m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

FRANZ KRATOCHWIL

Notice of Intention to Return Vested Property

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to

return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

Claimant, Claim No., Property, and Location

Franz Kratochwil, Vienna, Austria; $146.03 in the Treasury of the United States. Marie Maschek, Vienna, Austria; $146.03 in the Treasury of the United States. Claim No. 33812; Vesting Order No. 2368.

Executed at Washington, D.C., on October 26, 1959.

For the Attorney General.

[SEAL] DALLAS S. TOWNSEND,
Assistant Attorney General,
Director, Office of Alien Property.

[F.R. Doc. 59-9225; Filed, Oct. 30, 1959; 8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

[Notice 213]

MOTOR CARRIER TRANSFER PROCEEDINGS

OCTOBER 28, 1959.

Synopses of orders entered pursuant to section 212(b) of the Interstate Commerce Act, and rules and regulations prescribed thereunder (49 CFR Part 179), appear below:

As provided in the Commission's special rules of practice any interested person may file a petition seeking reconsideration of the following numbered proceedings within 20 days from the date of publication of this notice. Pursuant to section 17(8) of the Interstate Commerce Act, the filing of such a petition will postpone the effective date of the order in that proceeding pending its disposition. The matters relied upon by petitioners must be specified in their petitions with particularity.

No. MC-FC 62411. By order of October 27, 1959, the Transfer Board approved the transfer to Lawrence Langham and Burns Langham, a partnership, doing business as Langham Bus Line, Brewton, Ala., of Certificate No. MC 114710 Sub 1, issued May 28, 1958, in the name of Jerry H. Jordan, doing business as Jordan Bus Company, Brewton, Ala., authorizing the transportation of passengers and their baggage, in special operations, over regular route, between Brewton, Ala., and the site of the plant of the Chemstrand Corp., near Gonzalez, Fla., serving the intermediate points of Pollard and Flomaton, Ala. Hugh R. Williams, P.O. Box 869, Montgomery, Ala., for applicants.

No. MC-FC 62419. By order of October 27, 1959, the Transfer Board approved the transfer to Longwell Trucking Inc., Worcester, Mass., of Certificate in No. MC 96163, issued October 18, 1941, to Harry Longwell, Worcester, Mass., authorizing the transportation of: *Household goods,* between points in Worcester County, Mass., on the one hand, and, on the other, points in Connecticut, New Jersey, New York, New Hampshire, Michigan, Rhode Island, Vermont, Pennsylvania, and Ohio. Raymond E. Bernard, 53 State Street, Boston, Mass., for applicants.

No. MC-FC 62515. By order of October 27, 1959, the Transfer Board approved the transfer to William Hawthorne and Mary H. Wiegand, a partnership, doing business as Hawthorne & Co., Philadelphia, Pa., of Certificate in No. MC 92713, issued October 23, 1953, to William McNutt, doing business as McNutt Trucking Service, Croydon, Pa., authorizing the transportation of: *Such commodities, including road and building materials* as are usually transported in dump trucks, between points in Bucks County, Pa., on the one hand, and, on the other, points in New Jersey within 40 miles of Titusville, N.J. Jacob Polin, 314 Old Lancaster Road, Merion, Pa., for applicants.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 59-9229; Filed, Oct. 30, 1959; 8:47 a.m.]

CUMULATIVE CODIFICATION GUIDE—OCTOBER

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922	8001, 8251, 8440, 8629, 8630, 8893